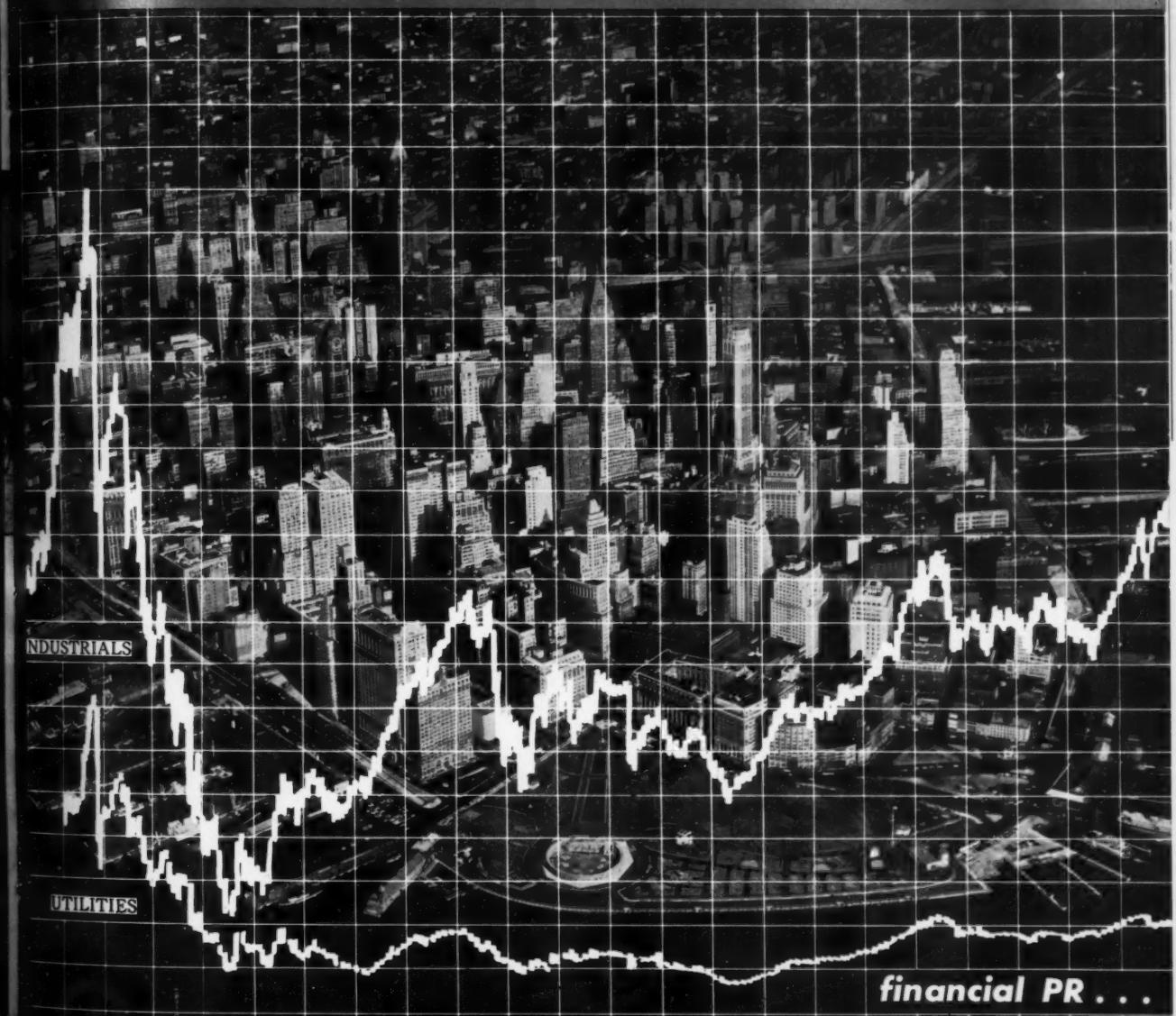


# PUBLIC RELATIONS JOURNAL

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PERFORMANCE + COMMUNICATIONS = PRICE

Page 3

Vendors Day at International  
Harvester  
Page 4

Educational TV-New  
Challenge for PR  
Page 10

### **.... a new service**

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Currently, Burdick-Rowland, have developed, designed and are installing a new project for financial relations in member-firm (New York Stock Exchange) windows throughout the country. Participating clients are Allied Chemical & Dye Corporation, Carrier Corporation, Chrysler Corporation, Commercial Credit Company, Crucible Steel Company of America, General Electric Company, Mathieson Chemical Corporation, New York Stock Exchange, Sinclair Oil Corporation, Socony-Vacuum Oil Company, Inc., The West Penn Electric Company, The Yale & Towne Manufacturing Company and Westinghouse Air Brake Company.

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## NOTED IN BRIEF...

With more and more emphasis being placed on a better understanding of our country's economic system, good financial relations through sound PR policies and techniques becomes increasingly important as a specialist in this field points out in our lead article. To this end also, the Stock Exchange and member firms are now exploring ways of bringing the facts of life about American industry and the work of the Exchange to people all over the country to get more and more people to own their share of American business.

Open houses and family day gatherings are rapidly expanding in scope. Recently one of our biggest industries, with marked success, held open house exclusively for its suppliers.

Magazine racks are attaining increasing prominence in company communications programs as a means of reaching and influencing the minds of employees. In the five years since it developed the plan, General Motors has distributed 56,000,000 copies of over 300 different booklets, and some 1,500 firms now employ this communications technique.

Educational television is emerging as a medium destined to play an increasingly significant role in helping to produce better informed and more mature citizens, opening up a vast new opportunity for PR practitioners. A PR man engaged in a special study of the subject reports on developments to date.



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May, 1954

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## ARTICLES

**Performance + communication = price . . . . . T. C. Thomsen 3**

*An evaluation of the correlation between a good company communications program and stock market prices.*

**Stock Exchange-industry launch new PR project . . . . . 5**

*An experiment in visual public relations currently being conducted by the New York Stock Exchange and twelve member-firms.*

**Vendors day at International Harvester . . . . . J. J. Dierbeck, Jr. 6**

*Harvester's Milwaukee Works inaugurates a new kind of open house for suppliers of equipment and services.*

**A new line of communication comes into its own . . . . . Charles S. Zurhorst 8**

*A discussion of the magazine rack and its place in employer-employee relations*

**Educational TV—new challenge for public relations . . . . . Mason Gould 10**

*How public relations can work with the new tool in the field of education to its own benefit and that of ETV.*

**Fifteen guideposts to better magazine publicity . . . . . Jack Galub 12**

*Simple rules for better magazine publicity through selectivity, planning and approach.*

**Business is business plus people . . . . . Melrick Landen 13**

*Historical business personalities and transactions build good will for a noted real estate investor.*

## COVER PHOTO

**An aerial view of Manhattan's famous financial district with Dow-Jones Stock Averages, 1927-53, superimposed.**

## EDITORIAL PAGE

### USIA's New Look

THE FIRST REPORT of the United States Information Agency is available for study as the Congress considers the Agency's request for \$89 million for the fiscal year 1955. Its publication enables both friends and critics of the information program to evaluate the changes in direction and facilities that have occurred since the Agency was created last August in a reorganization and consolidation of several previous bureaus.

From our reading of the report we believe the new approach is constructive. We are impressed with the degree of impact claimed by the Agency. We are pleased to learn that the excess fat has been trimmed from operations, and hope that the reduced budget will result in a tougher, more effective service.

Congress reduced the Agency's budget from the \$123 million of 1953 to \$75 million in 1954—a drastic cut. In asking for \$89 million in 1955—with the blessing of both the Administration and the Bureau of the Budget—the Service seeks to recover from the major surgery it underwent earlier, and to strengthen its overseas effort. The decision on added funds now is up to the Congress, and should be determined only after a careful balanced study.

Of the heavy barrage of criticism laid down around USIA's predecessor agencies much was undeserved. Unthinking criticism of this kind will, we hope, die down and future appraisals will come from the facts.

The agency can be counted upon to make such mistakes as occur in any other operations. If there are too many boners, if they occur too frequently, then another clean reorganizing sweep is indicated. But if the overall effort of the agency is good we should ignore the petty mistakes and support it as one of the strongest and cheapest weapons in our arsenal.

### For Better Living

WE ARE MOVED to praise duPont's new \$2,000,000 Haskell Laboratory for Toxicology and Industrial Medicine at Wilmington, Del. Original purpose of the laboratory was to eliminate, in so far as possible, every potential health hazard to employees and customers, but its present activities are even broader. While duPont's resources—and opportunities provided by them—are vast and beyond the

reach of most enterprises, the business statesmanship that has inspired many of duPont's corporate moves is spreading slowly, but steadily. It is a wholesome contagion, good for the public and the businesses affected by it. That it is sound public relations goes without saying.

### Hand for Teachers

THE AVAILABILITY of many teachers for summer jobs offers an opportunity for a widened understanding of business. On the job in a progressive American company, the working teacher will find life considerably different from the picture presented in some of the writings to which he is exposed and may develop experience that will make him a more effective teacher. The advantages to business are self-evident. A call to your high school principal is a good first step in this project.

### Anniversary Greeting

PR OWES MUCH to the late Glenn Griswold. "Public Relations—First in the Order of Business" was the first of *Business Week's* special reports issued under Glenn's editorship. A mighty assist in establishing PR, it remains as sound as when published in 1937. *Public Relations News* was founded by Glenn and his wife Denny in 1944, and continued by Denny after Glenn's death. For a decade it has helped build PR, broaden its understanding, and give it prestige. This tenth birthday permits a sincere tribute to the memory of an able and valued colleague. A salute to the *News* and its charming publisher, and to both ad multos annos!

### On Your Toes!

"THIS NOTE is to alert you to a statement soon to be in your hands for release," says a memo from a leading publicist. This approach alerted us right into verse:

Down your arms, ye men of Force!  
Pause ye, Atom, in your course.  
Silence, statesmen, bate your breath!  
Stand still, Life—and also Death.  
Freeze, ye mikes, and stop, ye presses,  
While a p.a. retrogresses.

The release? The report of a survey claiming that many people don't like TV commercials. Cease alert!

New York Stock Exchange building as seen from steps of the U. S. Sub-Treasury Building, with statue of George Washington in the foreground.

# Performance + communication = price

By T. C. Thomsen

Vice President  
Mellott, Thomsen,  
Pitney and Company

*Good financial relations are an example of the effectiveness of sound PR policies and techniques*



SOMETIMES there's no explaining the behavior of the stock market and you're sorely tempted to believe that a large percentage of investors are getting their signals to buy and sell from their astrologist, psychiatrist, or perhaps from Little Abner.

Fortunately, those occasions are the exceptions. Most of the time there are good reasons for the market's performance. They may be a little difficult to anticipate, but a security analyst who is worth his salt is never at a loss to explain to a client the exact reasons why XYZ's stock declined two points yesterday.

Actually, the stock market is a fairly accurate barometer of the financial health enjoyed by businesses, industries, and the national economy itself. It should not be regarded as a scientific measurement, however, since it reflects opinions and appraisals rather than the events themselves. Because it is only as accurate as the opinions of the investing public happen to be, there are bound to be times when it will be off in its timing or will miss entirely.

If one attempted to put together a list of all the factors that affect the stock

market, he would inevitably end up with a tome covering a variety of subjects including the social sciences. In all likelihood, the social sciences would bulk pretty large since ultimately the problem reduces itself to one of trying to fathom the depths of man's thought and opinion forming processes. For the purposes of this article, however, we can limit ourselves to the major factors, i.e., a company's performance and its prospects, the future ahead for the industry, and the general outlook for the nation's economy.

## Company's own showing

Obviously the most important factor determining a company's price performance is its own showing. At this point it should be pointed out that turning in a good performance does not necessarily mean getting credit for it. Probably one of the pleasanter of all soporifics is the notion that all a management has to do is run its business wisely, successfully, and profitably, and everything else will take care of itself.

Obviously, there's a big difference be-

tween running a business successfully and getting credit for it, and that difference is the necessary, intervening step of communication. It would be well, therefore, to amend the statement made a moment ago to read: the most important factor determining market performance is a company's own showing, provided it is communicated adequately, effectively, and sensibly to the people whose job it is to judge and evaluate.

Naturally, all information concerning a company's performance has a bearing on its evaluation by the financial community and by investors, and consequently on price. It doesn't matter whether the information is given freely out of a sense of responsibility, or is required by law or by agreement with a stock exchange. In this article, however, we shall be concerned only with the additional information of a non-compulsory nature and the effects that the withholding or releasing of this information can have on market prices.

It is fairly obvious that a close relationship exists between information and

Telling the company's story is a worth-while objective. But it has pitfalls, presents risks. Here's a simple checklist that may help in evaluating opportunities for distributing corporate information to stockholders and the financial community:

1. How much can be disclosed in the interests of keeping owners and the financial community informed, without jeopardizing the company's competitive position and risking the investment of owners as a group?
2. Can we be sure the information will be used properly in the interests of the company?
3. Does the information pass all tests for accuracy, and will its presentation create an accurate understanding?
4. Can we provide other owners or analysts with access to the same information, assuming their interests and
- integrity are not dissimilar?
5. Does the timing of the information's release give any interested party or parties undue advantage over others with comparable interests?
6. Is the release of this information consistent with written or unwritten policies and procedures of the company concerning the release of corporate information?
7. Is its release in keeping with agreements with federal agencies concerned with national defense?
8. Does the information meet requirements of good taste?

prices and yet it is difficult to be precise in defining the relationship. Certainly it is not an absolute relationship, for it does not follow that the dissemination of information always produces a desirable effect, or that the withholding of it always causes a negative result.

If the news is bad, the more publicity given to it the greater will be its depressive effect on price at the moment, though it can be argued successfully that a policy of full disclosure will in the long run offset any temporary setbacks. The nearest one can come to a precise definition is to say that all other things being equal, the disclosure of information tends to produce a favorable effect on prices, and the withholding of information a depressive effect.

#### Effect of adverse publicity

The publicity given to charges that cigarette smoking is partly responsible for the growth in the incidence of cancer of the lungs is a remarkable example of the relationship that exists between information and price. It is remarkable because most other factors which might have influenced price remained constant or improved during the period when the price of cigarette stocks declined sharply.

According to Standard and Poor's Weekly Stock Price Index for Tobaccos, tobacco stocks declined from 97.8 to 76.9, a drop of 20.9 points, or 21 per cent, between August 5, 1953 and January 13, 1954. What makes the decline particularly dramatic is that it represents a complete reversal of a previous upward trend. According to the Index, tobacco stocks recorded an advance from a low of 72.1 on

May 28, 1952 to a high of 97.8 on August 5, 1953, a gain of 25.7 points or 35 per cent in a period of about fourteen months.

This decline was also in sharp contrast with the cigarette industry's earnings which improved in the period, and with the overall performance of industrial stocks which showed an 11 per cent increase. The only performance yardstick with which it does not disagree is the consumption of cigarettes, which declined approximately 3 per cent last year from the year before, and for obviously the same reasons.

In an article published last year in the *Analysts Journal*, Norvin Greene, an investment counsellor, illustrated the close relationship between information and price when he compared the operating performance and market price of two important companies ranked as leaders in the same consumer industry.

As the figures which appear below

COMPARISON BETWEEN TWO COMPANIES WITH SIMILAR PERFORMANCE RECORDS BUT DIFFERENT MARKET EVALUATIONS  
(From *Analysts Journal*, November 1952)

	Company X	Company Y
Average postwar sales	\$21,309,000	\$27,644,000
Average postwar net earnings	\$2.77 share	\$3.01 share
Average postwar dividend	\$1.66 share	\$1.27 share
Debt*	\$ 2,500,000	\$ 252,904
Common shares*	811,775	931,000
Cash and Government	\$ 5,077,225	\$ 5,292,757
Ratio CA to CL*	2.5 to 1	3.1 to 1
Working capital, share*	\$9.28	\$13.70
Assets, book value, share*	\$16.65	\$18.65
Market price for stock	24%	13%

\* February 28, 1952.

Tom Thomsen recently joined the M. K. Mellon Company to head its New York operation. Though a newcomer in New York, the Mellon Company has been in the Pittsburgh area for twenty years. On May 1st the New York Division was reorganized to become a separate company with a new identity—Mellott, Thomsen, Pitney and Company.

Prior to the Mellon Company, Mr. Thomsen was manager of stockholder and financial relations for General Foods. His experiences also include manager of publications at GF, and prior to the war, publicist for the Robert Reed Company.



indicate, the two companies are comparable in many respects. They both turn in similar operating reports, including sales, earnings, and dividends, and yet one is priced 75 per cent higher on the market than the other.

According to Mr. Greene's study, the only important variable factor which could have a bearing on market price concerns their policies on providing information to the financial community. As Mr. Greene points out, the company with the depressed market price is apparently satisfied with listing on a secondary exchange, does not regard quarterly operating statements as desirable, and makes no general effort to keep the financial community informed.

#### Effective PR

As good an example as any is what happened to the stock of one of the country's major companies when it finally decided that it was concerned by the financial community's unfavorable evaluations and wanted to do something about them.

A little over two years ago it put into effect a program of financial relations which included executive talks before analyst societies, information service to analysts, plant tours for the financial community, financial publicity and advertising, and personal liaison with the financial community. During this period, there was an improvement in the company's performance which included an 18 per cent increase in sales, a 13 per cent boost in earnings before taxes, a 20 per cent jump in net earnings, and an 11 per cent increase in dividends.

By most standards, it was a good though not particularly dramatic improvement. Nevertheless, in this period covering 24 months, the company's stock rose 50 per cent, reaching its highest point since 1929, while Dow Jones indus-

(Continued on page 22)



New three-dimensional, animated self-illuminated exhibit of the New York Stock Exchange in the ground-floor window of a member-firm in suburban New York—one of 72 such displays.

today."

The specially designed exhibits have been placed in the ground-level windows of seventy-two member firms in eight eastern states and the District of Columbia, including forty-seven cities in New York, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Delaware and Maryland. The necessary preliminary work has already been started to initiate similar projects in the Midwest, South and Far West.

Member firms will have the use of the exhibits at no cost, and the exhibits of each participating corporation will be rotated among them on a monthly basis.

Each of the three-dimensional, animated, self-illuminated displays will graphically tell the story of a modern American corporation and relate that story to the functions of the Stock Exchange and the importance of individual investment. The exhibits are six feet wide, five feet high and one foot deep. They are made of wood, plastic, metal and hardboard and will operate day and night. An electric timing device assures continuous automatic operation, and they have been carefully constructed so as to be attractive for either day-time pedestrian traffic or night-time vehicular traffic.

Burdick-Rowland Associates, Inc., a New York visual public relations firm, will have full charge of managing the exhibits which were designed under the supervision of Edward H. Burdick, creator of The Freedom Train and the Civil Defense "Alert America" Cavalcade.

The firm spent over a year in preparation for the gigantic operation, traveling over the entire country photographing and measuring broker's windows in every major metropolitan area. Isolated tests were made to prove the effectiveness of such window displays in increasing the public's interest in equity ownership. As a result, Burdick-Rowland estimates that in the eastern area alone the exhibits will be seen by more than 25,000,000 people where more than 52 per cent of the country's population is located and where 50.23 per cent of America's investors reside.

Movement and placement of the exhibits is a terrific job, necessitating the use of custom-built trucks and a crew of four men. It will mean over 36,000 miles of travel and 1,184 different installations in this first phase of the program. • •

## Stock Exchange—industry launch new PR project

*Visual aids will relate corporation  
story to functions of Stock Exchange  
and importance of individual investment*

THE NEW YORK Stock Exchange and twelve member companies are participating in a new public relations project which is expected to reach an audience of 50,000,000 persons annually through animated, three-dimensional displays.

In launching the project, Keith Funston, president of the Stock Exchange, said that "the Exchange is exploring numerous ways of bringing the facts of life about American industry and the work of the Stock Exchange to people all over the country to get more and more people to own their share of American business. With the help of the great corporations listed on the Exchange we hope to tell that story on the sidewalks of some 200 cities and towns from coast to coast."

Firms joining the Exchange in the new public relations venture include Allied Chemical & Dye Corporation, Carrier Corporation, Chrysler Corporation, Commercial Credit Company, Crucible Steel Company of America, General Electric

Company, Mathieson Chemical Corporation, Sinclair Oil Corporation, Socony-Vacuum Oil Company, Westinghouse Air Brake Company, West Penn Electric Company, and Yale & Towne Manufacturing Company.

P. C. Spencer, president of Sinclair Oil Corporation, in commenting on the program, said that "one of the greatest contributions that can be made to the health of our economy is for an ever-increasing number of our citizens to gain more knowledge of our great industries, and, on a well-informed basis, to participate in ownership of the seasoned business enterprises that are so essential a part of the American way of life."

William P. Snyder, Jr., chairman of the board of the Crucible Steel Company of America, said: "American Business has been the 'whipping boy' for all the nation's ills for the past generation. Crucible Steel Company is happy to join . . . in this effort to focus the attention of the American public upon the part played by American business in the world



Works Manager J. E. Obernesser (second from right) gives firsthand information on plant costs to a group of International Harvester's Wisconsin suppliers. Left to right—Robert Harrington, vice president and sales manager of Western Machine Company; W. R. Tanner, president, Zenith Foundry Company; Mr. Obernesser; and M. M. McCrory, president of the Wisconsin Solvent and Chemical Company.

## Vendors day at International Harvester

By J. J. Dierbeck, Jr.

Public Relations Manager  
Milwaukee Works

HAVE YOU EVER conducted a plant tour program, felt you were doing a creditable job, and then suddenly come to the realization that a very important group of people had been overlooked? Such was the case at International Harvester Company's Milwaukee Works.

For several years Milwaukee Works has maintained an extensive tour program. We have attempted through such programs to bring to our community a clearer understanding of International Harvester and the part it plays in the economic and social welfare of Milwaukee and Wisconsin.

It had not occurred to us, however, that it might be good public relations to invite to the plant for an informal visit the approximately 250 Wisconsin businesses and industries which provide the Milwaukee Works plant with parts, equipment or services.

This group is very important to us from a business standpoint for Milwaukee Works spends about four and one-half million dollars annually with its Wisconsin suppliers and Harvester's company-wide purchases total about \$34 million annually in this state.

In addition, these organizations have one or more sales representatives who are in regular contact with us. Quite obviously then, here is a group of people who carry impressions of International Harvester which they will convey to others with whom they come in contact. As such, each vendor is in a position to be an asset or a liability to the good will that the Company hopes to maintain with its customers or the casual public.

With these thoughts in mind, we believed that if a series of "Vendors Days" were instituted we could become better acquainted with all of our suppliers, and

would also be able to demonstrate our appreciation for the valuable assistance they give us in our efforts to market a high quality low cost product.

With the blessings of Works Manager John E. Obernesser, and the cooperation of our Purchasing staff, a program was outlined, and invitations were sent to sales representatives servicing Harvester's Milwaukee Works account as well as the operating heads of each supplier with a manufacturing plant or warehouse in Wisconsin.

### Informal program

In order to keep the entire program on an informal and easily manageable basis, no more than 40 suppliers were invited to any of the "Vendors Day" sessions. The program itself was timed to take up no more than about four hours of the vendors' time.

Conducted very informally, the program began with welcoming remarks by the Works Manager, followed by a general tour of plant operations. Tour guides were selected from management men of staff level, familiar with all phases of the Company operations.

Following the plant tour, the suppliers were shown a Company produced, full color, documentary film on the development of the aluminum industry in British Columbia, with attention directed to the part played by our big TD-24 crawler tractor.

Next was luncheon at the plant cafeteria at which time various plant superintendents were invited to join our guests.

### "Bull session"

The last phase of the program was a "Bull Session" at which the Works Manager and his staff were present to answer questions submitted by the vendors. This was perhaps the most enjoyable and important part of the program.

During this period it was our wish to give each guest an opportunity to learn more of our over-all operations, more of our purchasing policies and procedures, and to discuss freely and generally, any and all problems with which they might be faced in their day to day dealings with us. In this way we felt we could

properly convey our policies and attitudes to a group with which our continued success was so vitally linked.

#### Enthusiastic response

The general reaction of our vendors was one of extreme enthusiasm. From most vendors there appeared to be a feeling of deep appreciation for a Company of our size and scope being interested enough in its suppliers to take time to entertain them. During the discussion

*Getting a company's story across to the community is perhaps the most vital area of community relations. Companies keep in touch with the community in a number of ways, notably by means of the local press and radio and through addresses by company officials to local groups. The leading communications medium seems to be news stories in the local press, with 90 per cent of the larger companies and 90 per cent of the smaller companies using this means. Next in order are addresses by company officials before local groups (75 per cent and 77 per cent), advertisements in the local press (61 per cent and 60 per cent), and radio (52 per cent and 36 per cent). Many companies try to develop better relations with the community by means of escorted visitor tours through the plant, by holding "Open House," and by organized "Family Days." About four out of every five companies have escorted visitor tours. While the frequency of such tours shows a wide range among different companies, the general practice is to conduct them at fixed intervals. Open-house and family-day gatherings, while less frequently employed than plant tours, are nevertheless used by a sizable number of companies. The most usual arrangement is to hold these affairs annually.*

—The Management Review.

period, it became apparent that the interest of our vendors was displayed more along the lines of general information than purchasing policies and procedures.

Their questions for the most part dealt with the plant's outlook for the future, the Milwaukee Works relationship with other Harvester plants, amounts spent by the Company in Milwaukee and throughout Wisconsin, the competition for jobs within the Company and outside suppliers, an explanation of the incentive system in force at Milwaukee Works, and labor relations in general.

At times it became almost embarrassing to hear remarks with respect to the long and happy association various suppliers have experienced with Milwaukee Works. We had anticipated that a certain number of such complimentary statements would be made, but were quite unprepared for the sincerity with which these comments were made.

#### The results

The success of any program is meas-

ured by results. In our case, we can only point to the many, many letters of thanks received from our guests, the reports of our employees who deal with our suppliers' sales representatives, and comments received throughout the community.

Our Works Buyer reports that those vendors who have participated in our program now show greater respect for the job we try to do at Milwaukee and evince greater interest in working out mutual problems. Actual attendance figures may or may not prove of any value in evaluating the success of the program, but for the sake of interest, 168 of the 247 companies invited (68%) attended the program. Invitations were sent to 416 men and approximately 60% or 252 men attended "Vendors Day."

All in all we have been extremely pleased with the entire "Vendors Day" program and consider it a good investment from a strictly business standpoint as well as good public relations. • •

Works Manager J. E. Obernesser showing finished gears to three guests: W. F. Borges, Wrought Washer Company; Henry Harnischfeger, Harnischfeger Corporation; and W. P. Kimmel, Oilgear Company.



A bank found that the best location for its information rack was in its Employees Club.



## A new line of communication comes into its own

By Charles S. Zurhorst

DURING THE PAST two decades, top management slowly awoke to the fact—learned much earlier by labor unions—that what employees thought, and how they subsequently voted, were vitally important factors . . . and that these factors had a direct and telling effect on the climate in which business had to operate.

There was an almost frantic scurry for weapons to use on this new front in the battle for free enterprise. Company after company initiated house organs, chatty newsletters, and employe films.

In the case of house organs, some editors had neither the time nor the training to take raw economic material and convert it into a readable article. Others could not get clearly defined "policies." This field is now growing in stature.

Newsletters served only as a "message from the president," and usually were directed quickly toward the waste basket by the recipients.

The employe films, while usually well executed, often found their captive audiences more anxious to get home to supper

than to learn "How Our Business System Operates."

### GM develops rack idea

Then in 1948, the General Motors Corporation developed, on an experimental basis, a new plan for reaching and influencing the minds of employes. Harry A. Coen, then vice president in charge of employe relations at General Motors, and the one who originated the plan, called it "an idea cafeteria for offering mental and spiritual nourishment to employes." Today it is called an information rack program.

Briefly, an information rack program is simply an organized method of feeding an employe's normal hunger for knowledge through a continual flow of attractive booklets on a wide variety of subjects. It is designed to help readers become healthier, happier individuals, more loyal and intelligent citizens and more interested and efficient employes.

### Free service

These pocket-sized booklets, attractive,

easily read and understood, are offered free through self-service racks conveniently located throughout plants and offices. Just as in any cafeteria, the employes help themselves only to the reading material that appeals to their particular appetites. And, as any cafeteria manager will testify, it doesn't take long to learn what the customers like.

Each morning a quantity of booklets is placed in the racks, and in the evening a count is made of what's left. The difference will tell very quickly whether a booklet is good, bad or indifferent.

Of course, the rate at which a booklet is picked up—referred to as the "take"—depends to a great extent on the subject matter. Subjects generally fall into five major categories. Comparative percentage of take is shown after each:

*Health and Safety at Home and at Work—Accident and fire prevention, first aid, hygiene, safety equipment, etc.* ..... 10-15%

*Home and Recreation—Hobbies, cooking, child care, sports, gardening, sewing, home repairs, vacations, decorating, etc.* ..... 20-25%

*Inspirational and Self-Help—Moral and spiritual guidance, how to get along with others, personality improvement, etc.* ..... 20-25%

*Social and Economic Problems—Profits, jobs, taxes, capital, productivity, incentives, crime, alcoholism, etc.* ..... 30-35%

*Americana—Patriotic booklets such as the lives of great Americans, good citizenship, American traditions, etc.* ..... 5-10%

Regardless of category, every booklet placed in the rack must do more than just entertain—it must inspire, educate, or in some way help the employe. As a result, it also helps the employer, and the country at the same time.

As in any cafeteria, the bill of fare must be changed regularly. A heavy dose of four or five economic booklets in a row would be the quickest way to kill off interest in the racks. So booklets on baseball, fishing, bowling, hunting, cooking and sewing are thrown in, and these, quite naturally, are very popular, but they are also habit forming. And this is important. They are the bait that keeps employes coming back week after week.

Factory, office, or small plant, the formula remains the same—put the racks where the employee traffic is. Locations shown in diagram have been used in separate instances. A simple survey would determine the best location for you.

### Neutral subjects

Companies operating a rack program believe that this service develops in employees the practice of looking to the company for reliable information on all subjects. For this reason, rack booklets must be neither pro-management nor anti-labor. Nor should they deal with any rabid political controversy. The material must be carefully chosen from its many sources—magazine articles, speeches by famous men, best sellers, and an increasing number of "specials," which are written especially for this new medium.

### Enthusiastic reaction

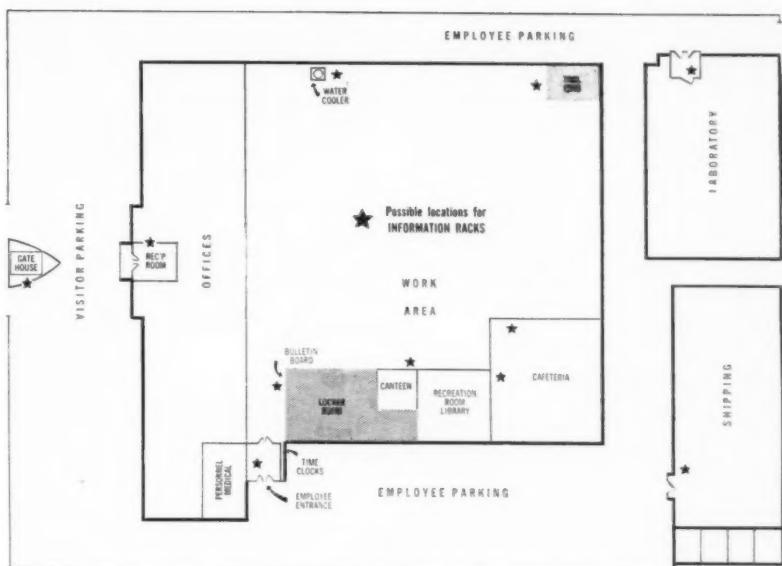
The reaction of employees is universally enthusiastic. From plant after plant come the same type reports which result in these average figures: 99% of the employees take booklets out of the racks, 95% read them, and 91% take them home to be read by their family and friends.

The average pick-up rate of any one booklet is about 50%, so that a plant with 1000 employees, for example, would normally use 500 a week. Many com-

**Pittsburgh Plate Glass Company used this method to report to its Board of Directors on the success of its information rack program. Many companies have learned that rack programs have increased efficiency in tight competitive markets by improving employee attitudes.**



May, 1954



panies report that union members are the heaviest readers of these booklets.

### Easy and inexpensive

Regarding the mechanics of a rack program, there is very little to it. If a company is large enough, it can set up its own department, hire its own editors and authors, and produce its own booklets.

Second, a company can subscribe to a complete program from one of the two

private organizations now offering such a service.

Third, a company can buy a few booklets here, a few there, and get a few free from this or that organization, and piece together its own rack program.

One of the best features of a booklet rack program is this flexibility with which its editorial content can be handled to suit the desires of a company's management, and the ease with which a program can be tailored to suit the company's pocketbook.

And in regard to cost, this is one program that can be used by a small company just as effectively and inexpensively as a large one, for booklets are available at approximately the same price regardless of the quantity ordered. Based on the average "take" rate of 50%, the annual cost should run about \$1.50 per year per employee—less than the cost of a carton of cigarettes.

### Growing rapidly

Today, just five years since the idea was first formulated, over 1,500 companies are distributing through information racks an estimated four million booklets a month to their employees. General Motors alone has distributed 56 million copies of over 300 different booklets since the inception of its now famous experiment.

Many executives, however, will hasten to add that the surface of this line of communication has hardly been scratched, and that the best is yet to come in creating an understanding between management and labor, employer and employee—with both benefiting. • •



Joseph W. Thompson introduces his guests for the evening before beginning a discussion on salesmanship. This is the subject of one of four telecourses offered by the University of the Air on WKAR-TV, the new Michigan State College ETV station at East Lansing.

exhibits and other visual aids, all utilized to supplement classroom teaching.

There have also been plant tours for teachers and school children, local Business-Industry-Education Days and other plant-community relations activities involving educational institutions.

The result has been an encouraging solidification of friendship between industry and education, with effective teamwork in meeting the educational needs of our youth.

This cooperation can be greatly expanded now that education has a new tool at its command. Just as commercial television has stimulated the flow of ingenuity from the minds of public relations practitioners, so can ETV. It's a challenge that should be met, and if met with a spirit of cooperation rather than exploitation, could do much to enhance the reputations of both industry and the public relations profession.

#### ETV program needs

What are the ETV stations now on the air or expected to be shortly looking for in the way of assistance from industry?

According to the Educational Television and Radio Center in Ann Arbor, Michigan, set up with funds from the Fund for Adult Education of the Ford Foundation to act as a program policy advisory group and clearing house of programming information, these stations are particularly eager to examine company or industry association films.

Just as is the case with commercial radio and television stations, newspapers, magazines and other media, program or editorial material that is heavily weighted on the commercial side is unacceptable. The material must be primarily educational.

KUHT, Houston, first educational television station to go on the air, has used company films (General Electric), industry association films (Petroleum Institute) and national business association films (National Association of Manufacturers).

These stations are looking for other things, too.

I attended the opening ceremonies of the new Michigan State College ETV station, WKAR-TV, early this year and was tremendously impressed by the competence and enthusiasm shown by its

## Educational TV—new challenge for public relations

By Mason Gould

Public Relations Department  
American Cyanamid Company

**U**NATTENDED BY THE FANFARE usually associated with the introduction of something new on the American scene, educational television is emerging as a medium destined to play an increasingly significant role in helping to produce better informed and more mature citizens.

Thus far, three ETV stations are on the air—in Houston, Los Angeles and East Lansing, Michigan. Expected to be operating before the year's end are stations in San Francisco, St. Louis, Cincinnati, Pittsburgh and Madison, Wisconsin. And fund-raising campaigns are in full swing in a host of other large cities.

In some cases, local colleges and universities will jointly operate the stations; in others, state educational agencies or local public school systems will be in charge; and in still others, civic organizations intensely interested in education will operate the stations.

All told, 242 channels have been set

aside by the Federal Communications Commission for non-commercial television use; forty-five applications have been filed and twenty-nine construction permits granted thus far.

#### Can industry help?

How can American industry and the public relations people who represent it help these yearling stations do their job well and at the same time achieve the PR goals which industry has set its sights on?

The answer, it seems to me, is relatively simple:

For many years, the public information services of American industry have cooperated with our schools and colleges to help young Americans to better understand our economic system and how it has made possible our high standard of living. Such assistance has been in the form of articles, pictures, speakers, films,



**Maxwell Halsey, executive secretary of the Michigan State Safety Commission, demonstrates highway regulations on "Driver Education and Highway Safety," another in the University of the Air telecourse series on WKAR-TV.**

staff as well as by the ambitious schedule which has been projected.

I learned that the station's agricultural programs, aimed at farmers, will need material telling of the latest developments in soil conservation, soil productivity, animal disease prevention and cure, etc.; that the home economics programs, aimed at housewives and prospective brides, will need material telling how to make home chores easier, family feeding more nutritious, home furnishings more attractive, etc.; and that the adult education "telecourses," aimed at people of all levels of education in the state, will need material to help point out career opportunities, achievements which have benefited society and other worthwhile information.

Other stations soon to go on the air have similar programming plans and needs. Judging from talks with station managers and with representatives of the Joint Committee on Educational Television (Washington) and National Citizens Committee for Educational Television (Washington), pioneers in the ETV field, all seem to have one thing in common. All are open to constructive ideas from any source, including industry.

General programming plans of ETV stations fall into some or all of the following categories: classroom programs to supplement school curricula, after-school programs for school children, programs for pre-school children, in-service instruction for professional groups such

as doctors or dentists, "reports to the public" by the organizations or institutions sponsoring the stations, and adult education and information.

### Adult education booming

Generally overlooked by industrial public relations people as an increasingly important medium is the field of adult education, in which ETV will play a significant role. There is a great mass of adults of all levels of education who are eager to increase their knowledge and improve their lot.

Adult education has become "big business," with some 5,000,000 grown-up "students" enrolled in evening non-credit courses, including telecourses. In New York State alone, adult student enrollment has jumped 1,700 per cent since 1946. More than 600,000 people are enrolled in night adult courses in public schools in that state.

In Michigan, the University of Michigan, while awaiting funds for launching its own ETV station, has been using the facilities of commercial stations in Detroit, Lansing and Kalamazoo to present its adult education telecourses. Surveys of the listening area indicate an audience of 175,000. Enthusiasm for this series caused 9,000 of them to formally enroll in the courses, entitling them to printed supplementary materials and certificates of participation.

Such figures are not impressive when set against the millions reached by commercial television, but they represent an important segment of our society—people with the intellectual curiosity that goes hand in hand with retentive powers.

What they hear won't go in one ear and out the other without first being mixed with a generous measure of grey matter. If what industry says to them is considered worthwhile by them, then it was worthwhile for industry to have said it.

Industrial firms, which count "thought leaders" among the special public they wish to reach, will find many among the thousands of alert-minded people who will be watching telecourses and other educational television programs. Clearly, PR can help business convey its message and at the same time assist ETV in carrying out its educational projects.

The challenge is here. Will industry meet it? • •

**Representatives of various industries before KPIX-TV cameras, San Francisco, give the public a look at what their industries do, how they contribute to the public welfare, etc.**



**"Partners in Production" featured representatives of Iowa labor and management groups as they enacted contract negotiations, grievance petitions and general labor-management relationships over WOI-TV, Iowa State College Station.**

# Fifteen guideposts to better magazine publicity

By Jack Galub

Publisher, The Editorial Directory  
New York

**D**O YOU WANT TO SHOUT your story to the largest possible audience, or whisper it to a select group? If you like to engineer your publicity with near precision like control, instead of letting it appear where it may, you will find magazines one of your most effective means of communication.

Magazines offer you selectivity. You can reach a national over-all readership through such publications as *Life*, *Saturday Evening Post* and *Look*. You can limit your primary readership to specific areas by using such regional periodicals as *Fortnight*, *Iowan* and *Arizona Homes and Gardens*.

That is only the beginning. You can select women's interest publications and divide those into media for women who work, brides, matrons and clubwomen. You can tell your story to people who like to watch the stars through telescopes and others who like to watch the clouds drift by while stretched luxuriously on a California beach.

You can reach selected groups of manufacturers, engineers, purchasing agents, wholesalers and retailers by properly choosing your media. Or you can cut across the business picture by turning to such magazines as *Fortune*, *Business Week* and *Nation's Business*.

Turning to the grass-roots you can reach both the farmer and his family through different pages of the same magazine. If you wish you can leave the farm family publication and concentrate on journals which focus on some specific phase of agriculture.

There are other advantages to magazine publicity. The story you tell in a magazine has a longer life than that told in newspapers or on the air. Often it has greater psychological impact. Businessmen with whom I speak say they often are more impressed by a magazine article in a good publication than by a newspaper feature or radio-television interview.

While there is no one right way to do magazine publicity successfully, here are fifteen guideposts that have proved

their worth in numerous campaigns. These suggestions are the product of conversations with editors in different fields, information gathered while publishing The Editorial Directory, and direct experience in magazine contact.

## Plan first

- 1. Plan your magazine publicity. Your magazine publicity program should be integrated into your over-all publicity or public relations plan. Magazines should be approached as a definite publicity channel, just as you would radio or television. Trying to adapt a good newspaper feature to magazine publicity generally will prove disappointing.
- 2. Decide upon the goals your magazine publicity should achieve, the publics you want to reach and the story you want to tell each of those publics. Once goals and publics have been selected, it becomes relatively simple to select the magazines with readership you want to reach.

## Think ahead

- 3. Learn to think three to six months ahead especially if you work with monthly periodicals. Some of the national consumer publications even have six month deadlines on certain kinds of material. Most publications have different deadlines for news and features. Get to know what they are and work within them.
- 4. Query before preparing copy. You may find that the magazine has a similar story in the works or ready to run. Quite often the editor you query will suggest a more acceptable approach or will work your company into an article already in preparation. Address your query to the editor or departmental editor by name wherever possible.

## Study the publications

- 5. If you must submit copy before querying, base your material upon an intensive study of the publication. Read and analyze the editorial content and approach of as many back issues as possi-

ble. Learn as much as you can about the magazine's editorial policies before beginning to write.

- 6. Try to have the magazine assign a writer to the story. The publication thus acquires an investment in the article, improving its chances. Occasionally, management objects that a magazine assigned writer may try to unearth and print embarrassing data. This danger is extremely slight. Actually the writer is interested in producing an article that will be helpful or interesting to his readers—and to your company or client.

## Know production requirements

- 7. Know the production requirements of the various magazines in which you are interested. For example, some will use unretouched 8 x 10 glossy prints only. Others will accept 5 x 7s. A good number will accept cuts while others prefer to make their own and levy a cut handling charge. Knowing these facts will save you time and money, especially on new product stories.
- 8. Develop as many personal contacts as you can, but don't regard personal acquaintanceship as the easy road to magazine publicity. If you work away from the large publishing centers, develop the practice of making a field trip to the magazines you are interested in at least once or twice each year. By meeting with editors you learn their problems, you find out what stories are scheduled and what their needs are.

They may prove helpful to you—and you to them. After they get to know you they will develop the habit of calling you for a quote or case history when working on an over-all story or trend piece. Remember that New York City editors can feel trapped when they find themselves always working with the same publicists and companies, especially if theirs is a national magazine.

Some hinterland companies work with these editors by maintaining local publicity representation in such cities as

(Continued on page 19)

Jack Galub has been in the public relations and publicity field since 1938. During those years he has been associated with programs for the State of California, The Independent Airfreight Association, Garstair, The Grolier Society, Inc., and The Reporter. He is also editor and publisher of *The Editorial Directory* (PR Journal, May 1953).

His by-line has been carried by NEA, Mechanix Illustrated and other publications.



# Business is business plus people

By Melrick Landen

Melrick Landen Associates Inc.

OUR CLIENT had none of the conventional problems to be resolved. No misinformed public, no product to familiarize, and no sales decline. The firm, in fact, was not interested in selling. It wanted to buy. Sounds like the simplest thing in the world to do. But in this case it isn't.

Our client, the firm of Louis J. Glickman, a nationally known realty investor, buys only prime office properties. These are recommended to the firm by realtors across the country who, by presenting an "offering" first, may enable our client to take part in a deal involving millions of dollars.

That's where the problem lay: keeping the name before the brokers so that the firm is informed as soon as they learn of a building on the market—before they've notified another investor. The difference between calling immediately and waiting until the next morning gives the investor an inside track in a fiercely competitive business.

But any project designed to keep realtors aware of Glickman must also serve another purpose: it must be adaptable for the same use to reach others buying and selling large office properties—bankers, insurance company executives, and other financial firms.

Determining the audience clarified one point for us. Even in this limited category there are definite lines of interest. There was just one common denominator linking them all—business. Our task was then to find an approach to the general subject of business which would interest them all and dispose them favorably toward Mr. Glickman's firm.

Finding half that approach was simplified for us by Mr. Glickman himself. His contention was that all these men had one other thing in common: an interest in the people. This led to the decision that we would attempt to relate the saga of American business in terms of the people responsible for its growth and diversity.

Along this line, Mr. Glickman had for many years collected stories about busi-

ness personalities for his own amusement. These in his collection provided us with a backlog for use in the project. We decided that the ideal way to present anecdotes and legends about business was in booklet form—something which could reasonably be mailed in quantity and yet be sufficiently attractive and well-designed to justify being retained by executives to whom it was sent.

There in brief is the genesis of "Famous Financial Transactions," a regular quarterly booklet printed privately by the

Glickman firm.

To date six issues have been distributed.

I believe business deals have a fascination for everyone when they are related in terms of people. "Famous Financial Transactions" does just that. It recounts the anecdotes and legends of American businessmen and firms. When we're especially lucky, it gives firsthand reports of transactions from the principals themselves. In each case, the series attempts to capture an actual financial negotiation rather than review a success story.

Readers get an insight into the reasons why men risk or choose not to risk their capital. Monetary profits are not the only objective.

For example, one story told how Frank Munsey, owner of the *New York Sun* and other papers, purchased the nearly bankrupt *New York Herald* in 1918. It was not to add to his chain (he sold it a few years later) but rather to prevent

(Continued on page 19)



The House In The Heerewegh

Number One Wall Street, referred to in early deeds as "the house in the Heerewegh (highway) by the land gate" and later as the Chimney building is one of the most valuable pieces of real estate in the world.

This land grew in value from \$18,275 in 1820 to \$15 million in 1928. The original "house in the Heerewegh" stood for nearly 100 years and was near the fence of pointed logs that defended early Manhattan from the Indians.

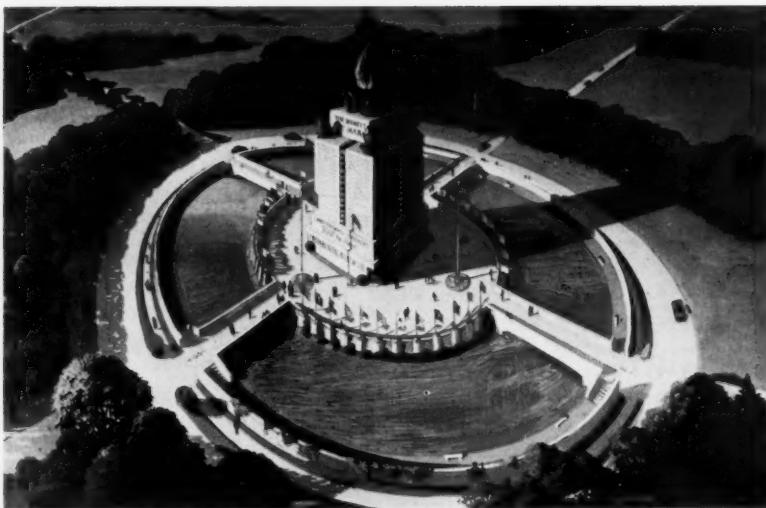
The plot, of roughly 20,000 square feet, was purchased in 1820 by one John MacGregor, a New York merchant for \$18,275. MacGregor's wife, Mary, left it to a nephew, Benjamin D. Silliman. Silliman received several offers for the property but whether for sentimental reasons or from mere indifference, he failed to take advantage of them. On one occasion, Silliman told a prospective buyer to cover the land with gold pieces and he would have a deal. The buyer complied with this unusual request but was put off with the lame excuse that the gold pieces were not standing on edge. Silliman still owned the property when he died in 1901.

In 1905, a group of St. Louis investors, who knew their real estate, bought the property from the Silliman estate for \$700,000. A year later, they erected an 18-story office building on a portion of the property. This building was known for years as the "Chimney Building" because its dimensions were 29 x 39 feet. Between 1925 and 1928, the property passed through the hands of various realty men in the course of which the St. Louis group sold out at \$1,200,000.

Later transactions saw a continuing rising price. Finally, it was bought by the Central Union Trust Company, now the Hanover Bank. Central Union sold the Chimney Building along with some other real estate included in the original MacGregor plot to the Irving Trust Company for \$15 million.

That deal set a value of \$750 a square foot on this property. This increase in value dramatically corresponds with the growth of the Wall Street district.

## NEWS IN VIEW . . .



**SHRINE TO AMERICAN WAY OF LIFE:** A national project to erect a "Freedom Shrine" in the nation's capitol has been inaugurated by the Freedoms Foundation. The project has a two-fold objective—to lastingly remind Americans of their individual rights and personal responsibilities, and to clarify to the world the fundamentals of the American structure. General of the Army Omar N. Bradley has accepted the Chairmanship of the "Freedom Shrine National Citizens Committee" which seeks to raise three and one-half million dollars from the general public through dime contributions to achieve widest individual participation. President Eisenhower has con-

tributed the first dime. The fund drive will be carried out on Washington's Birthday in 1955.

The Shrine will be a 100 foot high monument, with the basic rights of free Americans enumerated on its four sides. It will take the general form of the Freedoms Foundation's "Credo of the American Way of Life." It will be capped with a perpetual "Freedom Flame" and busts of Washington, Jefferson, Lincoln, and Franklin. Its inner room will contain copies of America's Freedom documents and will provide facilities for all people who visit it to sign their personal pledge to maintain freedom, to be permanently sealed in the Shrine.



**NAMED PRESIDENT:** Harry C. Webb, member of PRSA's Board of Directors, was named president of the Pan American Sulphur Company at a board meeting of the firm held in Dallas on April 21. He was formerly vice president of the firm. Long an active figure in Houston's civic life, Mr. Webb is preparing to move to Pan American's headquarters in Dallas. In what he calls "man's civic responsibilities," the sulphur company president has been a director of the Houston Chamber of Commerce, the Fat Stock Show, the Houston Symphony, the Houston Horse Show, and the United Fund. In 1950 he headed the Houston Beautiful Committee which won a third-place rating in the country's annual cleanup campaign. He joined Pan American in April 1953 after 24 years with the Texas Gulf Sulphur Company.



**LEADING PR MAN FROM FINLAND:** Olavi Laine, managing director of the Association for Finnish Work, Helsinki, received itinerary suggestions from PRSA's executive vice president, Robert L. Bliss (right), at the Society's headquarters office in New York, during a recent extended trip to America. He is one of the leading public relations men of Europe and is an active member of the Provisional Committee for the Establishment of an International Public Relations Asso-

ciation. He is also editor in chief of two national economic publications in Finland.

Mr. Laine is making a particular study of work quality campaigns and some of the industrial relations aspects of such efforts. His organization is unique. It was founded in 1912 as a non-government "NAM-type" of organization of Finnish industry but also includes among its membership 500,000 Finnish housewives who are interested in quality labor.



**INVITATION TO CANADA:** J. W. (Jack) Lawrence, public relations director of the Borden Company, Toronto, and president of the National Council of The Canadian Public Relations Society, extends a cordial invitation to all who serve in public relations fields to attend the CPRS Sixth Annual Meeting in Montreal at the Sheraton-Mount Royal Hotel, May 13-14. International experts in business, industry and government will lead "a compelling program of PR for PR men and women."

# NEWS SECTION

MAY, 1954

## Toronto Branch, Canadian PR Society Holds First Annual Conference

The first annual conference of the Toronto Branch of the new Canadian Public Relations Society was held April 8, with retiring President J. A. Brockie, supervisor of public relations for Eaton's of Canada, providing a highlight by presenting his report in color film. Entitled "A Parade of Personalities," the film reviewed all activities of the year which has been one of exceptional growth.

Kim Beattie, managing director, National Editorial Services, who was elected president for the ensuing year, called for generous member-participation in the most intensive society program yet attempted in Canada. He warned that public relations repute in Canada could be damaged before autumn by inability to supply experienced personnel. "Today's dominance of socialistic thinking over governments and of public opinion over business," Mr. Beattie declared, "is creating an unprecedented demand for skilled guidance."

The principal guest speaker was Wil-



Among those seated at the head table at luncheon were, left to right—retiring president J. A. Brockie, T. Eaton Co. Ltd.; president-elect Kim Beattie, National Editorial Services; past president Bryan Vaughan, Public & Industrial Relations; past president Ken MacGillivray, McLaren Advertising.

liam A. Durbin, director of public relations, Burroughs Corporation, Detroit, and treasurer of the Public Relations Society of America. His subject was "Is Public Relations A Profession?"—an inspiring presentation of the challenge facing PR men of today.

Two panels on PR subjects were freely characterized as the most effective yet achieved. The first, "How Would YOU Do It?" was a series of difficult problems handled by independent counsel. The sec-

ond, "PR and Management," provided valuable illustrations of Industrial PR, with management well represented in the audience. The panels were so well received that a mid-year PR Seminar is planned.

The creation of the national Canadian PR society (with Montreal and Toronto branches as the base) was reflected in the striking growth of the Toronto group. The revived interest saw eighty-five per cent attendance at the Conference.

## PRSA Men Serve In Chicago Fund Drive

PRSA's Chicago Chapter will be well represented in the 1954 Chicago Community Fund Campaign. Dale Cox, PR director, International Harvester Company, has been named chairman of the Public Relations Committee; James M. Patterson, assistant PR director, Standard Oil Company (Indiana), will serve as vice chairman of the committee.

In addition, a number of Chicago Chapter members have been appointed to serve as an Advisory Committee on Public Relations. Chairman of the group will be J. Handly Wright, partner in the firm of Selvage, Lee & Chase. Committee members include Don R. Cowell, PR director, Quaker Oats Company; Dale O'Brien, partner, Howard G. Mayer & Dale O'Brien; and Conger Reynolds, PR director, Standard Oil Company (Indiana).

Edward C. Logelin, vice president, United States Steel Corporation, and Hale Nelson, vice president, Illinois Bell Telephone Company and chairman of the

Chicago chapter, will serve as ex-officio members of the Advisory Committee.

Bernard A. Roloff is public relations director of the Chicago Community Fund.



PRSA's Spring Board of Directors Meeting saw one of the largest groups in attendance in the history of the Society. It was held on Friday, April 23, at the Shamrock Hotel in Houston, Texas. Above, George M. Crowson, assistant to the president of the Illinois Central Railroad and chairman of the Society's Development Committee, makes his report to the assembled group.

# Field News

## CHICAGO CHAPTER

Visual and verbal material from the survey "PR as a Management Function in Chicago Area Companies," made last year by a graduate student of Northwestern University and financed by the Chapter, was presented at the April meeting by the professor and chapter committee which guided development of the study. The survey is based on case studies of the functioning of public relations in twenty-five larger Chicago companies and from answers to pertinent queries put before officers of eighty-two companies.

The Chapter has now completed its first printed membership roster, including information about officers, directors, committee members and other pertinent data. • •

## CINCINNATI CHAPTER

Featured speaker at the Chapter's March meeting was Guy Thompson, executive director of the Community Chest who presented a realistic appraisal of the Chest's operations amidst modern complications. • •

## DETROIT CHAPTER

Members of the Detroit Chapter who witnessed a special demonstration of color television at station WWJ-TV agreed that the chapter's first meeting of 1954 was one of the most successful in the chapter's history. A record crowd of 190 viewed the demonstration.

Barry Wood, executive producer for color television and Andrew Hammerschmidt, assistant director of color TV systems development, both of NBC in New York, were the speakers. They outlined the present development of color TV and discussed its future possibilities. Utilizing four 14-inch color TV receivers, they tuned in the Armstrong Cork Company's Circle Theatre program.

James W. Lee II, president of the Chapter, and Jim Kaufman arranged the showing in cooperation with Ed Wheeler, manager of WWJ-TV. Color reproduction appeared perfect with clear definition of all colors.

Members agreed that the experience of viewing color TV for the first time was as exciting as was seeing color-sound movies for the first time. • •

## HAWAII CHAPTER

Featured speaker at the March meeting was Clancy Dayhoff, PR director of the Port of Los Angeles. William R. Norwood, president of the Chapter, outlined plans and activities for the year. • •

## INTERMOUNTAIN CHAPTER

Frederick Bowes, Jr., president of PRSA, was the guest of the Intermountain Chapter on March 30 when he delivered the principal address before the Rotary Club of Salt Lake City. In addition, Mr. Bowes was guest

of honor at a reception at the University Club.

In his talk at the Rotary Club, Mr. Bowes said that "economic and political events of 1954 will surely sharpen the basic communication responsibilities of public relations as never before . . .

"During this coming year of expected healthy readjustment in everything from competitive selling to a new concept of the atom, top management should have a new awareness of what public relations can do to speed the world's work." • •

## MID-SOUTH CHAPTER

The Mid-South Chapter held a highly successful one-day seminar on Profits and Public Relations at the Hotel Peabody, Memphis, on April 20.

Speakers and their subjects in the morning session included Frederick Bowes, Jr., director of public relations and advertising, Pitney-Bowes, Inc., and president of PRSA, "Public Relations Begins at Home;" Guy J. Berghoff, director of public relations and advertising, Pittsburgh Plate Glass Company, "Industrial Publications;" William G. Werner, manager of the PR Department; The Proctor & Gamble Company, "Public Relations Thinking in Advertising."

The luncheon speaker was John H. Smith, Jr., manager of promotion for the National Association of Radio and Television Broadcasters. His topic was "The Time, The Space, and The Goal."

Afternoon speakers included Hugh Clegg, director of development, University of Mississippi, "Public Relations Profits in Human Relations;" and Robert R. C. Miller, vice president of the Ashley-Drew & Northern Railway Company, "Public Relations Profits for Industry."

Shirley D. Smith, treasurer of the Mid-South Chapter, moderated the question and answer panel which closed the seminar. • •

## MINNESOTA CHAPTER

The First National Bank of St. Paul and its observance of 100 years of operation was the topic at the Chapter's March meeting. Lloyd Leider, vice president in charge of public relations, and Ade Boysen, advertising manager, headlined the program.

Col. Bob Henry, vice president of the Association of American Railroads, addressed the April meeting, and PRSA President Fred Bowes, Jr. is scheduled to speak at the May meeting of the Chapter. • •

## NEW YORK CHAPTER

More than 100 enthusiastic members and guests attended the March 10th luncheon which was devoted to a visual presentation of the Ford 50th Anniversary story.

A film entitled "Anniversary" gave the complete story behind the celebration of the 50th anniversary of the Ford Motor Com-

pany. This was followed by another film excerpting portions of the much-talked-about program which included the duet of Ethel Merman and Mary Martin.

Complete kits were presented to all those attending, including the case history outline, the anniversary book entitled "Ford At Fifty," a booklet on motion pictures available at the Ford Film Library, and the actual recording of the Mary Martin-Ethel Merman duet.

Featured speaker at the March 25th luncheon was Robert W. Dowling, president of the City Investing Company, whose topic was "New York's Future: Is It Up or Out?" He discussed the city's growth in recent years, the question of skyscrapers versus decentralization, and the importance of the city's expansion to PR men and their clients. • •

## SOUTH CALIFORNIA CHAPTER

At the first joint meeting of the Advertising Club of Los Angeles and PRSA's Southern California Chapter, William A. Durbin, PR director of the Burroughs Corporation, Detroit, was the featured speaker. His topic was "Public Relations and Advertising—Can They Live Together?"

A panel discussion followed the main event. Participating were PRSA's executive vice president, Robert L. Bliss; Muriel Barnett, Women's editor of *The Mirror*; Glenn E. Carter, assistant vice president, Bank of America; and Edward F. Baumer, PR director, Prudential Insurance Company, Western Home Office.

The Chapter's regular meeting held on March 24th featured the Society's president, Frederick Bowes, Jr., who spoke on "Public Relations and Its Future Through PRSA." • •

## WASHINGTON CHAPTER

The April meeting was sparked by a panel discussion on "Eyes and Ears in Washington" led by four members of the Chapter.

Maurice (Bud) Ryan, Washington representative of the American Hotel Association, said that the hotel industry is seventh largest in the country. A serious Washington problem AHA deals with is the use of Federal money to underwrite mortgages on apartment buildings which, since constructed, are converted to transient occupancy and compete with hotels.

Paul L. Selby, executive vice president of the National Consumer Finance Association, which represents most of the 8,000 regular consumer loan companies in the country, discussed the public relations problems that arise in connection with consumer credit regulations. He pointed out his group's need for a constant re-evaluation of economic trends in government.

William Dalton, executive vice president of the National Association of Refrigerated Warehouses, pointed out that his industry's principal concern with Washington these days stems from the fact that nearly a sixth of its total business is the storage of government owned commodities.

Mrs. Anne Troskoff, of Richard B. Hall & Associates, noted that virtually the entire program of her firm now relates to community surveys. She explained how a wide range of the law making and administrative activities here have impact on community development. • •

## PEOPLE • PROGRAMS and ACCOUNTS



ELLIOTT TAYLOR, former manager of the Public Relations, Advertising and Sales Promotion Division of the Pacific Finance Corporation, Los Angeles, has been elected a vice president of the West Coast firm.

He will continue to formulate public relations policies.

T. A. MARSHALL, Jr., has been named director of public relations for The American Society of Mechanical Engineers, New York.

J. VANCE BABB, former associate director of PR for N. W. Ayer & Son, Inc., has been made a vice president.

JIM BATTERSBY, PR director of Pitluk Advertising Company, San Antonio, has been appointed vice chairman of the Public Relations Advisory Board for United Cerebral Palsy.

The American Management Association has announced the appointment of JOHN E. BINNS as director of public relations and executive assistant. The press relations department will continue to be under the direction of DONALD G. KEEN, who will report to Mr. Binns.



William V. Humphrey



Lucia Perrigo

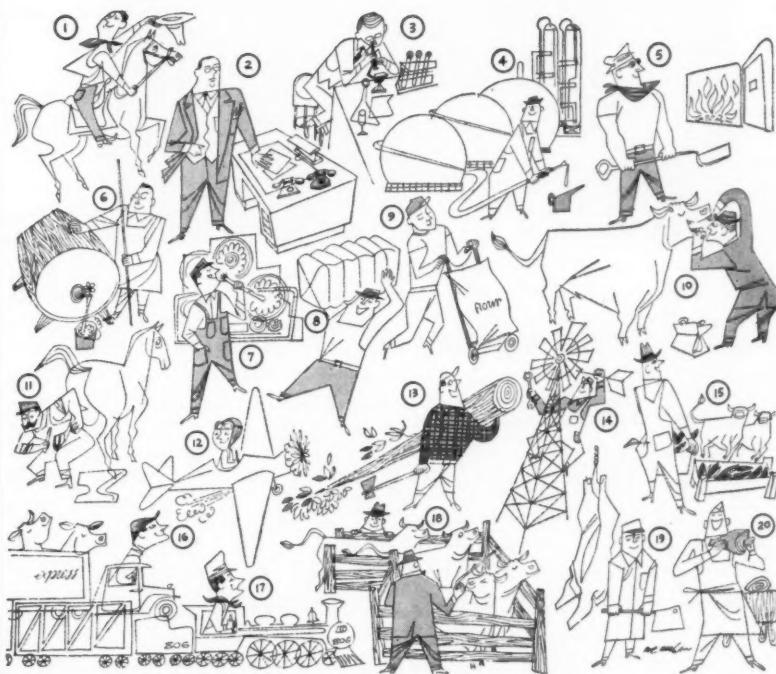
WILLIAM V. HUMPHREY and LUCIA PERRIGO have been assigned the additional responsibilities of handling national as well as local public relations for the Sherman and Ambassador Hotels, Chicago.

KEITH BAKER, formerly PR manager, Chance Vought Aircraft, Incorporated, Dallas, has been appointed assistant to the president for public relations, and JOHN INNES, formerly assistant PR manager, has been appointed PR manager.

The Central Railroad of New Jersey recently received the Annual Public Relations Award for 1953 sponsored by the Federation for Railway Progress. The award was presented "in recognition of the Jersey Central's extraordinary contribution to the field of public relations by its clear and objective campaign for the re-arrangement of certain passenger trains and its progressive publicity projects" under the direction of the road's PR director ROBERT L. BARBOUR.

RALPH H. MAJOR, JR., has been promoted to director of public relations at Batten, Batten, Durstine & Osborn, Inc., New York.

# How many people does it take to make a steak?



When you plank the cash on the counter for a slice of sirloin, some of it may represent *your own pay* for the part you played in getting that steak to your table.

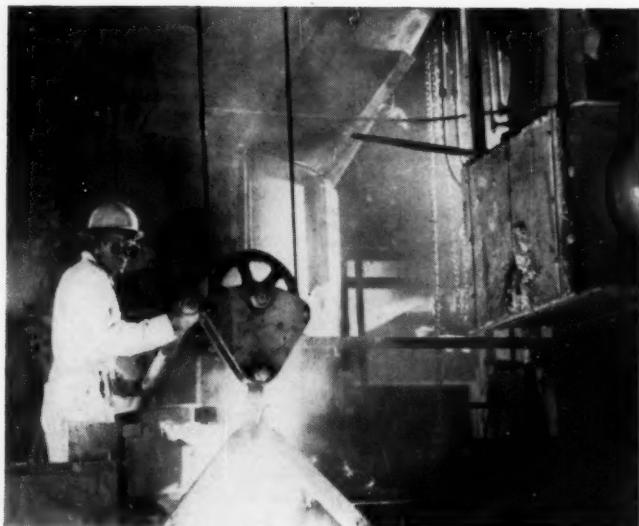
We'll make ourselves clear.

It takes a lot of people to help produce that steak in this mid-20th-century economy of ours.

The people we've put in the picture above, for instance. And many, many others. Though you may not realize it, some product you, yourself, help make or sell or service may play a part in producing steaks.

1. **The cowboy** or range hand who looks after the cattle.
2. **The banker** who finances land, herd and equipment.
3. **The chemist** who makes insecticides, serums and fertilizers.
4. **The oil refiner** who provides the fuel for the power machinery so many ranchers use.
5. **The steelmaker** who provides a multitude of items, from fencing and branding irons to filing cabinets.
6. **The brewer**—7. **The sugar refiner**—8. **The cotton ginner**—9. **The flour miller** who furnishes some of the by-products used to make the livestock feeds with which ranchers and feeders supplement grass.
10. **The veterinarian** who looks after the health of the cattle.
11. **The blacksmith** who shoes the horses and repairs ranch machinery.
12. **The airplane pilot** who sprays ranges and fields, destroying pests.
13. **The lumberman** who provides the wood for corrals and barns and pens.
14. **The windmiller** who makes the machinery that keeps man-made ranch water holes working.
15. **The feeder** who takes lean range cattle and puts about 25% more beef on them by intensive feeding.
16. **The truck driver**—17. **The railroader** who haul cattle to market and meat to you.
18. **The stockyards man** who provides "room and board" for the livestock, and the **commission man** who is sales agent for the producer.
19. **The meat packer** who processes and distributes the beef.
20. **The retailer** who is the final link between all these people . . . and you.

**American Meat Institute**  
Headquarters, Chicago • Members throughout the U. S.



## *Mister — How'd YOU like to wear goggles like these all day?*

And how'd you like to trade in that fedora for a heavy steel helmet? What about those soft kid gloves you wear? How'd you like to try asbestos on for size?

I'll tell you the truth. I think you'd like it fine. If you had a job you understood and cared about, and if you were helping to make something worthwhile. My kind of a job.

Know what got me sounding off like this? A movie. I saw it yesterday afternoon and thought about it a lot since. The company made it, and it was about the people at the plant. It showed all of us here at Studebaker, what we do and why we do it.

The picture started me thinking and so did the audience. Engineers, body men, assembly-line guys, foundry-men like me . . . all different jobs but all doing the same job. You could feel it there in the dark.

I make cars. So does everybody else in my company. We just make them different ways, but we all share the pride, the sense of giving our best.

Hey, mister, you want to try on my helmet?

Scene above from "Partnership of Faith" Industrial Relations motion picture produced for the Studebaker Corporation.

**T R A N S F I L M**  
INCORPORATED  
35 WEST 45TH STREET, NEW YORK 36, N. Y. JUDSON 2-1400

A Transfilm Account Executive will be glad to discuss what film can do to help your company's Public Relations, both internal and external. No obligation, of course. Your name and letterhead will put you in touch with William Burnham, Vice President.

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## PEOPLE • PROGRAMS and ACCOUNTS

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### MOVES

BURNS W. LEE ASSOCIATES, PR consultants, Los Angeles, has opened an office in San Francisco to serve its clients in the Bay Area. Among the firm's clients who will be serviced from the new office are Lucky Lager Brewing Company, Monsanto Chemical Company, Goodyear Tire & Rubber Company and the Minute Maid Corporation.

EDWARD L. GREENFIELD, formerly a partner in the PR firm of Cassidy & Greenfield, has opened his own office in New York.

The Puerto Rican Economic Development Administration, Rum Promotion Division, has broadened its publicity policy to include public relations, naming MEL MOST as mainland director of public relations and publicity with offices in New York.

THOMAS J. DEEGAN, JR., former vice president and director of the Chesapeake and Ohio Railway, is now vice president and director of the Alleghany Corporation.

OSCAR M. BEVERIDGE, former PR director of Boos, Allen & Hamilton, has joined the PR firm of Gardner & Jones, Chicago.

ELLEN KRAFT, former copywriter for Denhard and Stewart, has joined the PR firm, Gardner-Morris Associates, New York, as account executive.

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### ACCOUNTS

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The Pittsburgh Hotels Association has engaged the services of the Public Relations Department of KETCHUM, MACLEOD & GROVE, INC., Pittsburgh.

PATRICIA DICKERMAN ASSOCIATES, New York, has been appointed New York public relations representative for Japan Air Lines.

TYNDALL ASSOCIATES, INC., New York, has been retained by Electrophone Reporters, Inc., also New York, to handle public relations and sales promotion.

VERNE BURNETT ASSOCIATES, New York, has added to its accounts the Health Insurance Company.

CHESTER W. CLEVELAND & ASSOCIATES of Culver, Indiana, and Chicago have been retained to handle public relations and publicity for Olson Travel Organizations, Olson's Campus Tours, Inc. and Harved Publishing Co., all of Chicago.

Sun Chemical Corporation, Long Island City, has appointed G. M. BASFORD COMPANY to handle all its advertising and public relations.

ARNDT, PRESTON, CHAPIN, LAMB & KEEN, INC., Philadelphia, have been appointed to handle publicity for Krylon, Inc.

GRAY & ROGERS, Philadelphia, will handle public relations and publicity for the Samuel M. Langston Company, Camden, N. J.

## Business is Business plus People — (Continued from page 13)

Secretary of the Treasury William Gibbs McAdoo from taking it over and making it a Democratic organ. To assure himself rapid action Munsey knowingly overpaid by \$3 million.

Each booklet contains six stories with a spot drawing for each. Printed with two colors in a 4 x 6 format, the booklets run to twelve pages. Because of this miniature size, only the essential points of each transaction can be given, and this makes for quick reading, a factor we regard as a virtue.

Has the series paid off from a practical standpoint? It has directly paid for itself a thousand times over.

Officials of the client's office recently credited "Famous Financial Transactions," for example, with initiating an inquiry which resulted in a \$1,500,000 transaction in Houston, Texas.

And certainly its usefulness to many public service groups has broadened avenues in which to obtain good will.

Most gratifying of these took place in May of last year. That was the day the

Department of State requested 200 copies of each issue to be used through the International Information Bureau. Now, libraries throughout the world distribute our client's booklets as part of the Government's propaganda program.

"Dear Mr. Glickman:

*Please send me a set of your booklets. Many of the men in my squadron are interested in getting into business when they become civilians again."*

The letter came from an Air Force captain in Germany. He was one of three-hundred servicemen to respond to a story in *Stars and Stripes* describing the booklet series.

The avalanche of mail prompted by the review in the G.I. paper is typical. Bankers who read *Burroughs' Clearing House* or *Industrial Banker* have responded with equal enthusiasm when the series was described in those publications. Housewives, doctors, plumbers and students ask for copies as well as well known industrial leaders.



Rick Landen heads his own PR firm which concentrates on counselling professional clients of national stature such as the New York Mortgage Exchange, American Society of Landscape Architects, Louis J. Glickman, etc. His forte is creating informational projects for

the specialized audiences which are his clients' best potential market. Latest outgrowth of the firm's specialty is the weekly radio documentary, "It's A Deal," which Landen produces.

To those of us who counsel clients on presenting the "human side" of business, the theme behind the booklets is not new. The form is, and the response to this form supports the precept that people do want to know about the romance, adventure and drama behind company names.

I believe in this wholeheartedly. As a matter of fact, last year we started a radio series dramatizing business stories.\* Again, it is directed to a business audience. And again, we hope people in general will tell us that it's their business, too. • •

\* "It's A Deal," WOR, Sundays, 11:15 p.m.

## Fifteen guideposts to better measure publicity — (Continued from page 12)

Chicago and New York to keep in touch with magazines and other media.

### Remember the field offices

- 9. Remember that many national publications maintain field offices or correspondents. These writers generally welcome the chance to suggest stories to the home office. Get to know them and work closely with them whenever possible.
- 10. Think in terms of regional as well as national publications. There are many excellent regional magazines interested in publicity features. The competition for space sometimes is less severe and good results are easier to achieve, particularly if you give them the same attention and cooperation you would a national publication.

### Control your publicity

- 11. Control your magazine publicity. Depending upon the type of product or service involved you will find it profitable to set up control lists. For example, an "A" list may include publications in which you are primarily interested for feature articles. A "B" list may include magazines that are vehicles for your

news or product stories. The "C" list might include media in allied fields which are interested in particular aspects of your company's operations.

Some organizations serving a great many clients or a company manufacturing products that go into many different industries have set up elaborate controls making use of Keysort cards and other filing systems.

Whatever system you devise should depend upon your particular needs and the scope of your activities. Its purpose should be convenience, not impressiveness. It should be designed to help you select the right publications for your stories quickly and easily and keep you from going over the same areas too frequently.

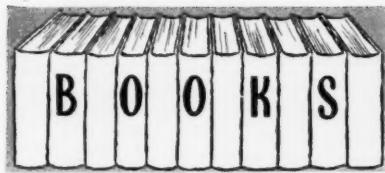
- 12. Get away from the "they'll print anything we send them" attitude. While there are some publications that seem to print almost anything, they usually are without significant influence or readership. The magazines that carry weight in their fields are the ones you want to reach—and they won't print the "anything" you hand them.

### Beware with exclusives

- 13. Some editors are wary of the "Exclusive in Your Field" slug. Use it with caution and if you do, make certain it is uncompromisingly correct. You will find that most magazines have definite copy style. Quite often an "exclusive in your field" article is written in a completely different style and needs reshaping.

Also because industry has become so complex, a large number of publications have broadened their base and are read by key executives in different industries. It would be embarrassing to all concerned to have the same "exclusive" article appear simultaneously in magazines going to much the same audience.

- 14. After you have finished preparing an article for a magazine, ask yourself one pertinent question: How does this piece help the magazine's readers? If you can come up with a specific answer the chances are you have a good story.
- 15. Apply the Golden Rule to your dealings with editors and writers. Treat them as you would want to be treated, and you will find them calling you as often as you call them. • •



## The Funk & Wagnalls Book of PARLIAMENTARY PROCEDURE

By Lawrence W. Bridge; Funk & Wagnalls Company, New York; 180 pp., \$3.00.

*Reviewed by Robert L. Bliss,  
Executive Vice President, PRSA*

Do you know how to raise a question of privilege in a meeting? Can you properly act to suspend the rules of order? Could you "take a question from the table?" If not, or if you're unsure, this is your book.

Today's public relations men and women must organize, set up, guide, and attend so many meetings—and so many that are badly organized and run—that a text of the rules of parliamentary procedure should stand on the desk shelf between Webster and Roget. Here's a good one.

This little 180-page guide, written for both beginner and expert, will serve you well in the conduct of those sessions so dear to the American business economy where too often we observe that committees are bodies that waste hours and keep minutes.

Well put together, with ready references and examples that allow you to just fill in the blanks and start conducting your meeting, PR people can stick this little helpmeet in their pocket and forget gavel-group fears forever.

### Also received

• **Effective Letters in Business**, Second Edition, by Robert L. Shurter, which presents the basic principles of good writing and shows how to apply them in the writing of letters and memos. (McGraw Hill Book Company, Inc., New York, \$3.95.)

• **Printers' Ink Directory of House Organs**, new edition, containing an exclusive editorial and check-list section of interest to editors of house publications . . . plus a listing of 6,329 publications broken down by title, and by sponsor alphabetically and geographically. (Printers' Ink Publishing Co., Inc., 205 E. 42 St., N. Y. 17, \$5.00.)

• **The Working Press of the Nation**, 1954 edition, an annual directory of editorial personnel of the nation's newspapers news services, radio and television stations and allied services . . . equipped with the new automatic Machel Index for rapid location of any desired information. (Farrell



Advance planning has already started for PRSA's 8th National PR Conference which will take place at the Ambassador Hotel, Los Angeles, November 12-16, 1955. Above, Edward F. Baumer, PR director, Prudential Insurance Com-

pany Western Home Office, Los Angeles, and general chairman of the Conference, points out some areas of interest in the Western Region to PRSA's executive vice president Robert L. Bliss.

Publication Corp., 420 Lexington Ave., N. Y. 17, \$25.00.)

• **The Business Founding Date Directory**, by Etna M. Kelley a new kind of directory listing over 9,000 business firms with founding dates from 1687 to 1915 representing 200 years of business growth . . . a valuable reference for executives in industry, finance, public relations and advertising . . . alphabetical and chronological sections. (Morgan & Morgan, High Point Road, Scarsdale, N. Y., \$10.00.)

• **Rich's of Atlanta, The Story of a Store Since 1867**, by Henry Givens Baker, is more than the history of a store; it is a narrative of Atlanta, Georgia, and the South . . . a serious business history about a large and successful Southern firm which will give the reader unusual insight into a free enterprise economy, showing how a business organization may grow and mature under this system. (Division of Research, School of Business Administration, University of Georgia, Atlanta, \$7.50.)

• **Financial Public Relations**: For the Business Corporation, by Herman S. Hettinger, describes various means to bring continuing information before the business public . . . periodic and annual reports, the role of the press, etc. . . . concrete answers designed to key business policy with the requirements of stockholders and the financial community in general. (Harper & Brothers, New York, \$3.50.)

• **Public Relations in Music Education**, by Floyd Freeman Graham, a study to help establish better understanding between music teachers and pupils, and musicians in general and the public at large. (Exposition Press, New York, \$4.00.)

## Annual ICIE Conference To Be Held in Detroit

Over 600 company publications editors will meet at the Statler Hotel in Detroit, May 12-14, to learn more about their role in the sales challenge of today's competition. The three-day conference is the annual gathering of the International Council of Industrial Editors.

General chairman of the conference, Stewart J. Wolfe of the Hudson Motor Car Company, says that many of the publications to be represented at the conference reach not only company employees, but dealers, salesmen, stockholders and customers.

The International Council of Industrial Editors is comprised of 3,250 editor members in 50 affiliated associations in the United States, Canada, England and Western Germany. Editor members are in charge of company sponsored publications whose total readership now approximates some 70,000,000 which is more than the daily newspaper readership in this country.

### Recession?

Few persons were talking about a recession in 1951 or 1952, says the Chamber of Commerce of the United States, but the national income for those two years was \$278 billion and \$292 billion respectively. The present level in excess of \$300 billion.



*From Ford Motor Company's 50th Anniversary film, "The American Road," an MPO Production*

## A Medium of Communication Ideally Suited for PR

With fast distribution to a mass audience now available through television, theaters, schools, industrial employee groups, men's and women's service clubs, the motion picture medium is far more important than ever before.

Let us show you documented case studies of PR results with film.

Currently producing motion pictures for:

**Ford Motor Company**

**Nash Motors**

**H. P. Hood & Sons**

**Monsanto Chemical Company**

**Socony-Vacuum**

**American Hereford Association**

**New York Telephone Company**

**Campbell Soup Co.**

**Good Housekeeping**

**American Air Lines**

**Remington Arms**

Write or call MPO Productions (attention JUDD L. POLLOCK)

15 EAST 53RD STREET, NEW YORK 22, N. Y. MURRAY HILL 8-7830

## **Performance + Communication = Price — (Continued from page 4)**

trials showed an increase of less than 5 per cent.

An even more recent example of the effect that information has on market price was the announcement last January that General Motors planned to invest upward of a billion dollars over a period of a year and a half in a plant expansion program. General Motors' display of confidence in the future caused its own stock to rise 5 points in a period of three days, but more important it generated a new sense of optimism in the financial community that reflected itself in an improvement in the overall market.

### **Evident connection**

The connection between price and information is evident in the case of industries, as well as individual companies.

A list of the industries that suffer most from price depression would include the meat packing, shipbuilding, and aircraft industries, to mention just three. It is not accidental that industries in this classification are also distinguished by their conservative information policies.

There's no denying that in a number of instances unusual operating problems make interim financial reports difficult and even hazardous. Nevertheless, a sound appraisal of the problem would certainly uncover many opportunities for providing information that could be given out without risk and which would have a beneficial effect.

The relationship that exists between information and price is obviously of considerable importance to business managements. One may still hear an occasional corporation president disclaim all interest in the market price of his company's stock, but his type is rapidly becoming a rarity. Most managements have come to realize that for very practical reasons they are quite concerned by price.

### **Practical reasons**

What are these practical reasons? First and foremost, price has a profound effect on corporate relationships with stockholders, since it was the expectation of price appreciation that played an important role in prompting them to become investors. These relationships are important to managements for a number of reasons, and it is well worth while doing everything possible to preserve and strengthen them.

Price is also important since it has a bearing on opportunities for acquiring

new businesses on a favorable basis by exchanging securities. The bearing can be boiled down to this: the higher the price of a company's securities, the fewer shares it will have to surrender in the exchange.

Price also affects stock option and stock purchase plans, since the success of both depends on price appreciation and stability. Management's practical interests in price also include the knowledge that at some future date it may again be interested in financing. The higher priced its securities are the fewer it will have to issue to obtain the required funds.

Utilities are particularly interested in maintaining high prices because of their effect on new financing. Since earnings for utilities are fixed by law, they are ordinarily insufficient to finance the cost of additional growth. Therefore, the needed additional funds have to be obtained from other sources, and high market price increases opportunities for equity and debt financing.

### **Exception to the rule**

There's always an exception to any rule, and in this case, it's the company that believes that depressed price is in the best interests of its stockholders. Under certain though somewhat rare circumstances, it must be admitted that a good argument can be made in favor of depressed price.

Take a well known, though small New England company as an example. This company decided it had no interest in acquiring new businesses and was quite satisfied to expand at the modest rate that retained earnings would allow.

It obviously had no interest in stock option or stock purchase plans, and attracting new stockholders was not one of its objectives. It was, however, very much interested in preserving the estates of its major stockholders, and it was quite evident that depressed market price would reduce their exposure to high inheritance taxes. Its policies, consequently, were aimed at a depressed market evaluation. Despite its conservative policies the company has grown steadily, though slowly, and the interests of its major stockholders have been met.

The value of such an example is mainly as the exception that proves the rule. Nevertheless, it is a temptation to challenge its validity even as an exception. There would seem to be reason to believe that more progressive policies on the part of this company would have produced

even greater benefits for the company's stockholders, individually and as a group.

### **Management's interest**

But to get back to the point which is that managements have a realistic interest in market price. In addition to practical considerations, a case can be made for management's moral responsibilities. Among the major responsibilities of management is protecting and enhancing the interests of its stockholders. Certainly a course of management action which leads to anything other than a realistic and accurate appraisal of corporate worth on the market falls short of meeting the spirit and letter of this responsibility.

Acknowledgment of management's interest in price and the influence it can have on price through withholding or disclosing information raises the question of what responsibilities does it have in connection with releasing information. It is patently obvious that full and complete disclosure could produce under many circumstances even greater injury than a policy of withholding information.

### **Management's responsibility**

Managements first responsibility in this connection would seem to be to release only information that would be of little value to competitors. No one can reasonably dispute the wisdom of withholding certain kinds of information on the grounds that its release would be contrary to the best interests of stockholders as a whole.

It behoves a management, however, to re-examine constantly its definition of what constitutes confidential information in the light of changing conditions. A corporate policy covering this subject is no more absolute, or beyond change than any other kind of policy.

For years one of the major food companies withheld disclosure of its advertising expenditures on the grounds that such information would be useful to competitors. Several years ago it re-examined this policy, decided it was no longer valid, and began releasing information on advertising expenditures. Since the company is still reporting its expenditures, it can be assumed there have not been any adverse repercussions to date.

For the purpose of proper emphasis, it would seem that this first consideration concerning the amount of information that should be released might well be presented in more positive terms. Cer-

tainly this is the thought and feeling of the New York Stock Exchange which as a firm policy urges full disclosure of non-competitive information by its listed companies.

### Avoiding inaccuracies

Another responsibility of management is to avoid inaccuracies in disseminating information. The rules of the SEC assure accurate reporting in the case of annual statements, proxy statements, and other legally required reports. Recognizing the evils inherent in touting, the SEC also makes it unlawful for any person to employ any manipulative device in contravention of the rules of the Commission.

There remains, nevertheless, a wide-open area of communication over which the SEC does not exert control, and that is the area of normal dissemination of information which seeks to enlighten, educate, and inform.

The SEC does not have an interest in the routine use of news releases, quarterly reports to stockholders, speeches before financial and business groups, remarks at annual meetings and regional meetings which aim to present the company in its most favorable light for practical business reasons. In utilizing these techniques of communication, a corporate management must do its own policing and guard against errors, overstatements, understatements, omissions, commissions, major and minor.

It is quite obvious that reporting accurately places a heavy burden on the shoulders of management, for whether the policing is handled by the company or the SEC, the responsibility for accuracy remains with the company.

### Impartiality

Management has a responsibility to make sure that all stockholders and members of the financial community have access to the same information. This does not mean that a management cannot state a fact to one stockholder without following it up with broad publication to all stockholders. It simply means that the same information should be available on request to any other owner with similar interests in possessing the information.

An important part of this statement is the phrase "with similar interests in possessing the information." It is up to management to discover the use which might be put to the information, and to decide against making it available to anyone who would use it improperly and against the company's best interests.

### Importance of timing

The timing of information is also important. For the most part important corporate information should be released as quickly as possible. Any kind of delay in communication may result in some individuals having the information before others, for even the best guarded secret has a habit of quickly becoming common property. Prompt timing is particularly important in the case of earnings statements, dividend announcements, and other financial matters that are eagerly awaited by investors.

We're not ignoring the fact that under certain circumstances it might be advisable to hold back on a statement in the interests of better timing. The announcement of General Motors' billion dollar expansion program, for example, could have been made at the time of decision, but it was postponed until just before the Motorama Show. The point here is that no one suffered, or could have suffered by the delay. Certainly the stockholders gained by the dramatic method of presentation.

Being consistent is certainly part of a company's responsibility in connection with disseminating information. Policies covering the release of corporate information through releases, speeches, Annual Reports, etc., should be definite, on paper, and well understood. There ought to be one way—and just one way—of responding to an inquiry, or making a statement, or reporting on earnings.

Those, then, would constitute a management's major responsibilities in disseminating information. There are others, of course, such as observing good taste, but they extend beyond our subject and have no place in this report.

### Sound policies

Since a company has these responsibilities, it is obviously desirable to meet them in a business-like fashion. First of all, it would be advisable to establish sound, practical, and progressive policies covering the kinds and amount of information that will be made available, and the reason for making it available. These policies ought to be down on paper and understood throughout management.

Secondly, it would be advisable to decide on the best procedures and organization for implementing these policies.

It ought to be decided within an organization, for example, who should have responsibility for distributing information to stockholders and the financial community via the Annual Report, annual meeting, analyst meeting, corporate pub-

licity, financial advertising, financial community liaison, and the many other major techniques available to it. It may be that one individual should be responsible, such as the chairman or president, or that the responsibilities can be delegated and distributed among several.

Having decided on who shall be responsible and the assistance he shall have from inside and outside the organization, the next step is defining procedures. These would cover the do's and don'ts, the division of responsibility, and the methods for obtaining clearance and approval. A statement covering company procedures in disseminating corporate information, should also be committed to paper, like corporate policies, in the interests of achieving management understanding and acceptance.

### Additional reasons

This business of interpreting the company to stockholders and the financial community is important to corporate managements for numerous reasons and is worth serious attention and consideration. We've referred to some of the reasons in describing management's down to earth interest in market prices. The basis for stockholder and financial community understanding and support is considerably broader.

In addition to management's interest in price, it is also vitally concerned in perpetuating itself; in winning consent for its plans for the future and its selection for the board of directors; and in obtaining the financial means to execute its plans and programs. The key to achieving these objectives is owning the confidence of stockholders and the financial community.

The importance of strengthening relationships with these publics is likely to increase significantly in the years ahead. Management's growing interest is based on such factors as the declining importance of big stockholders and the subsequent rise of the small investor, the development of external controls in the form of SEC regulations, the growth of the security analyst as the key financial community opinion, and the tighter requirements for membership on the major exchanges.

These trends are continuing and in addition to them we find new factors emerging that are likely to play important roles in the period ahead. One of these is the relief from double-taxation being promised by Administration leaders, which, if it materializes, will have a

(Continued on page 24)

## News in Education

### Chicago Offers MA In Communication

A one year graduate program in communication, designed for students interested in public relations, journalism, international information, or research in communication, has been organized at the University of Chicago.

The new degree program leading to the M.A. in communication, is administered by the University's Committee on Communication, which began its teaching and research activities in 1948. It emphasizes analysis of the communication process and its effects on opinions, attitudes, and behavior.

### New School Summer Sessions Of Special PR Interest

The New School for Social Research is offering eight courses and workshops in publicity and public relations and communications for the summer term June 21-August 5.

Among those scheduled are the "Making and Measurement of Public Opinion in America," "Mechanics of Practical Publicity," workshops in "Magazine Editing" and "Radio and Film Writing," a seminar in "International Communications" and a course on "The Television Operation: Timing and Controls."

A four-day "Institute on Educational Publicity and Public Relations" will be offered by Benjamin Fine, education editor of *The New York Times*, July 6-9, and a workshop in hotel public relations and promotion is to be held from July 12-15.

### One-Week Seminars and Workshops at Cornell

Cornell University, Ithaca, New York, is offering a series of one-week seminars and workshops this summer for practitioners from business, labor or government and for others with equivalent background. They have been scheduled as follows:

Week of June 21—Problem-Solving Conferences: A Workshop

Week of June 28—Personnel Selection and Placement: A Seminar

Week of July 12—Health, Welfare and Pension Plans: A Seminar

Week of July 19—Community Relations: A Seminar

Week of July 26—Design and Use of Attitude Surveys: A Workshop

Week of August 2—In-Plant Communications: A Seminar

Week of August 9—Annual Wage Issues: A Seminar

A considerable portion of each seminar or workshop will be devoted to group analyses of programs and problems of the participants' own organizations. Outstanding leaders in the subject areas concerned will be brought to the campus from business, labor, and government.

### Wisc. Schools Experiment In Community Relations

The public schools of Marinette, Wisconsin, are conducting an interesting experiment in community relations by making bi-weekly two or three minute radio broadcasts over Station WMAM to explain the goals and operations of the school system to the public.

Time for the broadcasts is donated by Ansol Chemical Company, one of the town's leading industries. Company officials believe they have added considerably to their standing within the community as a result of the school programs.

Cost to the company for the 15-program series has been negligible, which Ansol feels is a cogent argument for public spirited companies in other cities to cooperate with the schools similarly.

The series is scheduled to end in May, but arrangements have been made to continue it during the 1954-55 semester.

### Summer Institute In Radio-TV

The fourth annual Summer Institute of Radio and Television jointly sponsored by Barnard College and the National Broadcasting Company will be presented from June 28 through August 6.

The Institute provides professional training for men and women preparing to enter commercial or educational radio and TV, gives additional training for young employees seeking advancement in the industry, and acquaints teachers and other professional people with the special tools of radio-TV.

### Fund-Raising Workshop

A workshop in fund raising for colleges and universities will be offered by the School of Education of Syracuse University at its Chautauqua Center, Chautauqua, New York, for two weeks during the summer session, from August 9 through August 21. It will be directed by Bernard P. Taylor of The Pennsylvania State University.

### Dravo Scholarship Program

Four schools are now sharing in the annual \$12,000 Scholarship Program sponsored by the Dravo Corporation, Pittsburgh. The latest one to be added is The College of Engineering at Cornell University. Others are the Carnegie Institute of Technology, Lehigh University and the University of Pittsburgh.

The program provides for two \$1,000 scholarships in each university each year and two additional grants of \$500 to the university itself. Awards will be made primarily on the basis of scholastic ability and personal characteristics which indicate potential capacity to succeed in either engineering or business administration.

### Performance + Communication = Price —

(Continued from page 23)

significant effect on the future market for equity securities. Another important factor is the growing importance of institutional holders of a company's stock, such as life insurance companies, pension funds, closed and open-end investment funds. These owners are important to a management from the point of view of the size of their holdings and their increasing reliance on the advice of security analysts in deciding the disposition of investments. Still another factor has been the increasing decibel range of small stockholders, particularly the so-called professional stockholder.

Management's increased concern for its relationships with stockholders and the financial community doesn't portend the end of the managerial revolution which began with the separation of ownership and control. It would seem to signify, however, that a stage has been reached that requires not only the consent of owners, but their active support and the active support of the financial community as well. • • •

### Scan-A-Sizer Developed For Small Town Papers

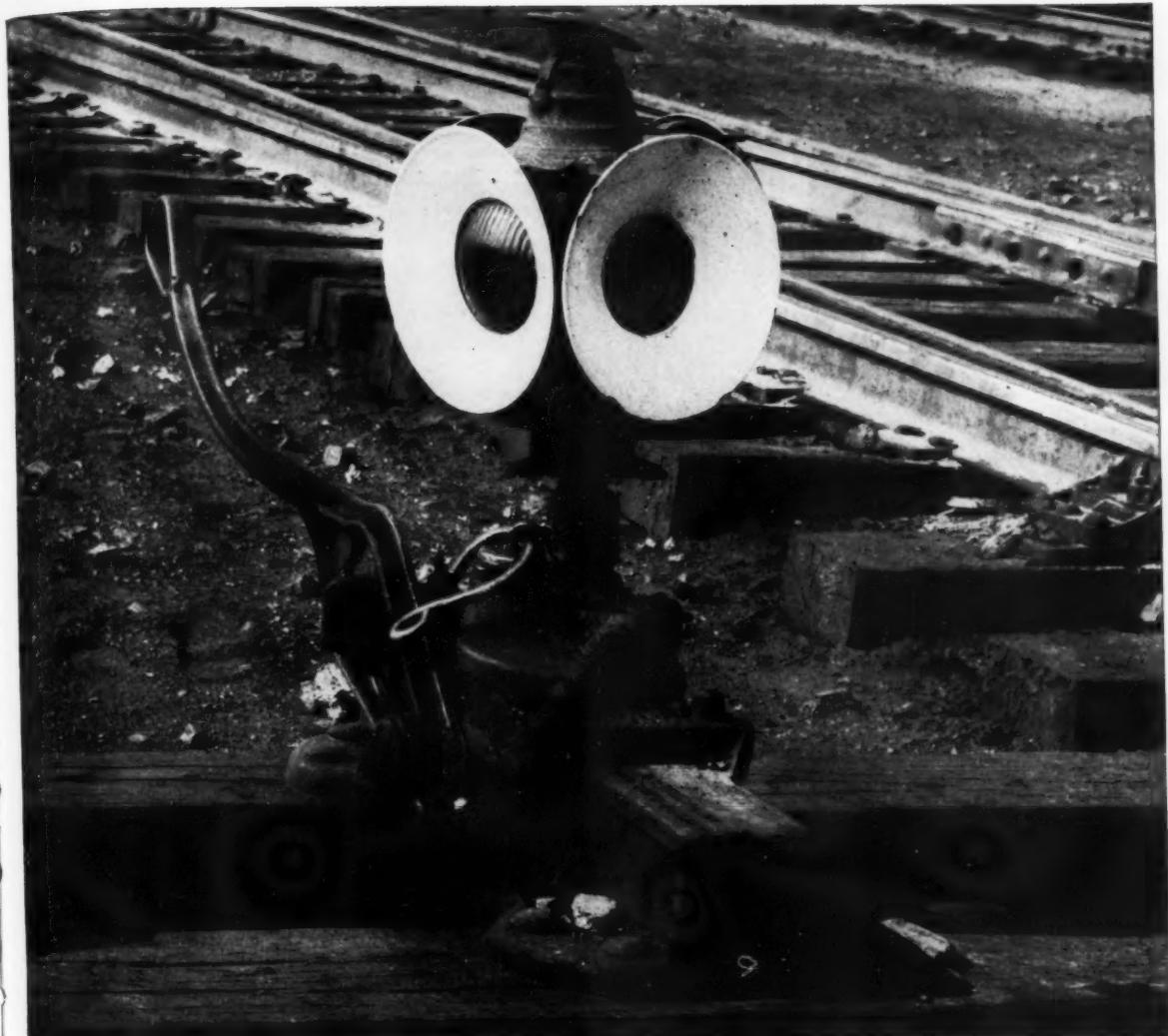
The third Scan-A-Graver design in five years was unveiled last month (April) at the American Newspaper Publishers Association Convention. This is the electronic engraving machine so widely used by small town weeklies and dailies (April JOURNAL).

The new device, to be known as the Scan-A-Sizer, incorporates two new features: (1) ability to enlarge or reduce four and a half times any size copy up to 18½ x 22 inches, and (2) provisions for making either 85 or 120-screen halftones at will.

The new device will give public relations people more latitude in the pictures submitted with releases, where publications on their mailing lists have this new equipment.

### Annual Report Survey

The Annual Survey of the Shareholder Relations Policies of 1,000 Industrial Corporations has been published in a folder for free distribution by *Financial World*, national weekly magazine and the sponsor of the international competition in annual reports.



## Switches are for railroads...

They work best there. With ease and efficiency.

On the other hand, "switches" in consumer brand preferences come hard—and costly—for advertisers addressing sales messages to those with established brand preferences. Too many one-track, one-brand minds. Too many switches locked.

This is precisely why more and more advertisers are turning to Redbook for its exclusive concentration on Young Adults. These are the 18-to-35-ers...with unformed brand loyalties...with immediate buying needs...with clear track ahead.

# Redbook

**America's ONLY Mass Magazine for Young Adults**

2,057,553 Circulation...Highest in Redbook history

Advertising Lineage UP 16.8% for first quarter 1954





## 5 o'clock flap!

He was meeting her at 5:30—a first date. At noon she bought the new dress and pumps. No lunch. At five she felt hollow. And horrors—the stamp box was empty! So she had to rush to the postoffice for stamps. And was late for her date.

"Drat it," said Debby. "We need a DM in this dump."

- Best friend of the business girl is a DM—desk model postage meter. Does away with stamps, licking and guarding.

- The DM prints postage, for any kind of mail, directly on the envelope—with your own small ad, if you like.

- It protects postage from loss or waste. Does its own accounting. Has a moistener for sealing envelopes. Even handles parcel post. Easy to use. Saves time and postage in any office.

- Other models, hand and electric, for larger mailers. Ask your PB office to demonstrate. Or send the coupon.

**FREE:** Handy chart of Postal Rates with parcel post map and zone finder.

**PITNEY-BOWES**

**Postage Meter**

Offices in 93 cities in U.S. and Canada

YOUR AD HERE

U.S. POSTAGE  
DATE 03  
STATE VERMONT  
CITY BURLINGTON

PITNEY-BOWES, INC.  
5291 PACIFIC ST., STAMFORD, CONN.  
Please send free  DM booklet,  chart to:  
Name \_\_\_\_\_  
Firm \_\_\_\_\_  
Address \_\_\_\_\_

## PR Service Guide . . .

### ANIMATED PR VISUALS



These custom-built three-dimensional exhibits were created for twelve member companies of the New York Stock Exchange in a financial public relations project (see page 4), by a specialist in visual public relations. They are only one of the new PR services and promotional aids available under "one-roof" planning. Individually tailored promotional exhibits and display services and procurement for all types of meetings, conferences, conventions, sales training programs, hobby shows, parades, anniversaries and open house celebrations together with stylized shows, skits, speeches, sketches are others of the multi-service functions performed for financial, employee, industrial and public relations counselors and executives. (Burdick-Rowland Associates, Inc., 104 E. 40 St., N. Y.)

### SURPRINT GUIDE

Now you can tell how your type choice or fine line drawing will surprint before you order the type or engraving. The Surprint Guide is a clear plastic sheet which will last for years and will show how your type choice will be affected by any tint from a pin dot to 50% off black and from 60 to 133 line screen. (The Surprint Guide, P.O. Box 1738, Grand Central Station, New York 17.)

### RETAIL RATE INDEX

The result of years of research into the local retail rate structures of every daily newspaper in the country, the Basic Retail Rate Index lists 1,377 newspapers in 1,042 cities with rates and circulation figures for all papers and population of all cities. Rates listed are local retail advertising rates, the rates paid by department stores and dealers at which you should be billed for your share of cooperative advertising. (Basic Retail Rate Index, 104 W. Fayette St., Baltimore 1.)

### NEW TRAINING FILMS

A new series of human relations training films for foremen is now available, incorporating such themes as how a foreman learns about people . . . how he learns to value and respect the feelings of his workers . . . how he can correct workers' faults without incurring ill will . . . how to give orders so that they are understandable and can be carried out efficiently. Each film runs 12

minutes and is available in 16 mm. sound movies as well as 35 mm. sound slide films. (National Safety Council, 425 N. Michigan Ave., Chicago, 11.)

### THE FUTURE OF AMERICA

A new 35 mm. full color sound-slide film has been produced by The Joint ANA-AAAA Committee to provide a basic understanding of our economic system. "The Future of America" has been especially prepared to help individual citizens, companies and organizations in evaluating the facts about the future of America and in working to create greater opportunities for all. Running time 24 min. (Association of National Advertisers, 285 Madison Ave., or American Association of Advertising Agencies, 420 Lexington Ave., N. Y. 17.)

### LOOK TO THE LAND

A task as big as all outdoors—the conservation and development of the nation's land and water resources—is the theme of "Look to the Land," new documentary film released by Encyclopaedia Britannica Films and the Twentieth Century Fund. The new film calls on American private enterprise and government to use our great natural resources wisely so they may continue to help us grow and prosper. The 21 minute, 16mm sound color film is for sale or rent. (Twentieth Century Fund, 330 W. 42 St., N. Y. 36.)

### OFFICE PLANNING SERVICE

More than sixty-five leading office furniture dealers in every section of the country are now cooperating in the Wood Office Furniture Institute's new Certified Office Planning Service, and this number is steadily growing. This is said to be the first time that a completely integrated service has been available for the creation of modern and efficient offices, and covering all aspects of planning as well as installation. The planning service is made available without charge, the Institute states. (Wood Office Furniture Institute, Washington, D. C.)

### ROTO FLASH

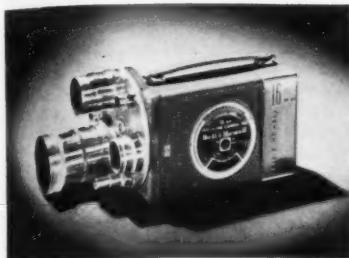
The Preston BC Roto Flash lets you shoot up to five pictures without reloading or bulb fumbling. It has a revolving, interchangeable magazine that snaps instantly onto turret head and holds up to five bayonet-base bulbs. Bulbs are individually hand-rotated into firing position. Fits all cameras with pre-synchronized shutter. (Incontra, Dept. BN, 1220 S. Maple Ave., Los Angeles 15, Cal.)

### MAILING LIST DIRECTORY

A new directory of mailing list sources, "Guide to American Directories for Compiling Mailing Lists" has just come off the press. It lists all current directories, describes their contents, tells where they may be obtained and the cost of each, if any. Every possible trade and professional category is covered. It includes a bi-monthly supplement which will be mailed without charge to the purchaser for a period of six months. (B. Klein & Co., 27 East 22 St., N. Y. 10.)

# PR Service Guide . . .

## NEW DEVELOPMENTS BY BELL & HOWELL



In the low-priced, 8 mm field, four "matched sets" have been designed to solve the problem of the movie-maker who wonders how much equipment to buy. Two camera sets provide everything needed to shoot movies, while the camera and projector sets outfit the photographer for both taking and showing movies. The Wilshire and Monterey sets contain camera, carrying case, telephoto attachment, filter holder, and bar light with two lamps. The combination sets include a roll of color film as well as the projector.



The new 200-TA Auto Master 16 mm motion picture camera combines the speed of a magazine load camera with the versatility of a three-lens turret. Positive viewfinders which ride with the lens on the turret assure speed and accuracy in shifting from normal to wide angle to close-up shots in the midst of action. A film plane mark for accurate measurement of critical focusing distances, five individually calibrated film speeds, and a 12-1/2 foot film wind are important features. It may be purchased with an f/2.5, 1.9 or 1.4 lens. (Bell & Howell Company, 700 McCormick Road, Chicago 45, Ill.)

## ROBOT REPRODUCTION

The Rex-Rotary duplicator works by itself, once started, according to the manufacturer—inking is continuous instead of intermittent. The pre-determined quantity of ink produces uniform copy on every page without supervision by an operator, and less ink is used to do the job. The machine also has many other dependable features—quick change of colors, hairline registration, wide

printing area, easy print positioning, automatic counter and takes a wide variety of paper and card stocks including folded sheets. (Rex-Rotary Distributing Corp., 19 West 31 Street, New York 1.)

## RAILROAD PHOTO SERVICE

A new booklet designed especially to help writers, editors, publishers, artists, TV producers and others in obtaining photographs to illustrate material about America's railroads has just been issued by the Association of American Railroads. Entitled "Railroad Photos—Old and New," the booklet presents in miniature more than 150 samples from the 15,000 photographs in the AAR files. Glossy prints are available free of charge for professional use. The pictures in the booklet depict almost every operation and item involved in running a railroad—trains, locomotives and cars, track and structures, signaling and communications devices, shops, yards, stations and terminals. Also included is a wide range of historical subjects. (PR Department, Association of American Railroads, Transportation Building, Washington 6, D.C.)

## PHOTOSTAMPS FOR ADDED INTEREST

Add Photostamps to your letters to make them interesting and unusual. Show your product, yourself, your salesmen or executives. Use them on business cards, post cards, advertising pieces. Photostamps are professional, high gloss photographs in stamp form. They are perforated, with gummed backs, ready to affix, and come in sheet form just like postage stamps. Sizes: 3/4" x 1" or 1" x 1 1/2". (National Photostamp Company, 309 New York Ave., Brooklyn 13, N. Y.)

## READY CARBON LETTER SETS

With this work-saving device you're always ready to type—no matter how many copies you need—without assembling, inserting, or aligning second sheets or carbons at a cost which may well be less than the loose second sheets you have on hand and the loose carbons you're now using many, many times. Letter sets are boxed, packed flat and remain free of carbon smudging. They are made up according to the number of carbons your office requires. Carbons are discarded after use. (Sinclair Manifold Products, Guernsey St. and Nassau Ave., Brooklyn 22, N. Y.)

## GADGETS FOR LETTERS

Dramatize your letters with attention getters—in plastic, metal or felt. Use them with cartoon tie-ins which can be offset right along with your message. Have them made to order if you can't find one that suits your purpose in the more than 100 illustrated in the catalog. (Hewig Company, 45 W. 45 St., New York 19.)

## Tape Record Your Meetings

Conventions, business sessions, speeches transcribed with reporter accuracy; tape at all speeds, reels to 10 1/2". In the New York-New England area we'll record for you.

Use Our  
Dictating-Recording-Conference Room  
Audograph, Dictaphone, Edison, Sound-  
Subscriber Mimeographing-General Typing

## Charles Transcript Service

154 Nassau Street New York 38  
WOrth 4-1486

## 1954 BACON'S PUBLICITY CHECKER

Lists 2,850 business papers, farm papers and consumer magazines that use publicity—lists them alphabetically and in 99 market groups—compiled from thousands of publicity release lists—record system included that eliminates card files—shows how to prepare publicity and how to place it—reduces clerical time, eliminates deadwood and improves results.

Price \$6.00. Sent on approval.

## BACON'S CLIPPING BUREAU

343 So. Dearborn St., Chicago 4

## WANTED

The current home addresses of those members of Sigma Delta Chi, Professional Journalistic Fraternity who may not have kept in touch with National Headquarters are urgently needed.

If you have not received communications from National Headquarters since January 1, 1954, the chances are that your current address is unknown. Important information about your membership status is being held for you. Don't delay, notify us today. Sigma Delta Chi Headquarters, 35 East Wacker Drive, Chicago 1, Ill.

## Reach the School Market

...with Educational Programs that successfully establish brand preference for many nationally or regionally distributed products

...developed, produced and distributed to the entire educational field, reaching all curricula teaching areas, Home Demonstration Agents, and County Agents.

- Merchandising trade tie-ins
- Educational Films
- Dealer follow-through

Complete comprehensive service

*Let us show you case histories of outstanding results. Your inquiry invited.*

JOHN T. GRAFF COMPANY, INC.  
Educational Consultants  
501 5th Ave. N.Y. 17, N.Y.  
MURRAY HILL 2-2593

### Send for Free Issue Advertising Ideas and Merchandising Newsletter

Irving Levy Promotions  
415 Lexington Avenue, New York 17, N.Y.

**HAS YOUR OFFICE MOVED?  
HAVE YOU A NEW BRANCH OFFICE?**  
Professional Directory advertising in the JOURNAL follows "card insertion" type of listing, without illustration. Standard size: one column, one inch; one column, two inches; others by special arrangement. Copy mentions availability of service, without promotional claims. Limited to firms of PRSA members only. Rates are available from:

Advertising Department  
PUBLIC RELATIONS JOURNAL

## PR Service Guide . . .

### NEW AID FOR TYPISTS



With this new SEE-THRU bail you can eliminate blind spots, reduce typing errors and save time since it does away with the need for lifting the bail to see what has been typed. Available for all standard makes of typewriters, scaled for either elite or pica type. (The Maroth-Kennedy Corporation, 2 Oak Ridge St., Greenwich, Conn.)

### NEW PUBLIC SERVICE FILM

A new color film for public service TV programming, "At This Moment," tells the amazing story of American railroads. It has an excellent cast of well-known stage, screen and TV actors. Running time, 26 min. (The Princeton Film Center, Inc., Princeton, N.J.)

### REPRODUCTION GUIDE

Planning to reproduce a driver's license, passport, or other document as illustration for a story or mailing piece? Federal law says you can't do it. Why not get a handy wall chart which lists most items which it is illegal to photocopy? (Peerless Photo Products, Inc., Shoreham, Long Island.)

### NEW LETTER GUIDE

A good letter of application can be a door-opener to a new job, says the Alumnae Advisory Center, a non-profit organization that has just put out a booklet called "Your Letter Is You." The information presented is clearly detailed and simple line drawings help drive home some essential points about writing application letters. (Alumnae Advisory Center, 541 Madison Ave., N.Y. 22.)

### 2 IMPORTANT ADDITIONS TO YOUR PR ARMAMENT

#### A COMPREHENSIVE ANNIVERSARY OBSERVATION CHECKLIST

"Something everyone needs and would like to have at his elbow," writes one authority. Contains all available public material and ideas on subject, plus more data gathered through extensive research. Unique in its field. . . . . \$5.00

#### THE C.I.O., COMMUNISM AND FREE ENTERPRISE

A 3130 page, cross-indexed, documentary survey covering all phases of the American economy. Spiral bound in six volumes. "Should be in the office of all Personnel or Labor Relations Directors," writes the president of an internationally-known company. \$50.00

JOHN YEZBAK & COMPANY  
3214 PROSPECT AVE. CLEVELAND 15, O.

### PLASTIC IDENTIFICATION SIGNS

Distinctive identification builds confidence, and an impressive sign bearing your name and trade-mark is a valuable asset to your company. It serves as a constant visual reminder to your employees and the public. Crown Plastic signs are made to last. A new process helps to achieve a three-dimensional effect, and a competent art staff is available to assist in designing. (Crown Plastics, 11 South St., Boston 11.)

### CLOSED-CIRCUIT TV

Closed-circuit television in black and white or in color, viewed in theatres, hotels or TV stations, at the sponsor's selection, is no longer a novelty medium. A large segment of American industry has used the closed-circuit medium successfully within the past year. Tele-Sessions has had five years of experience in closed-circuit TV and has worked with many diversified groups, presenting each with a program tailor-made to its own needs.

It can be adapted to sales meetings, new product demonstrations, fashion shows, industrial and public relations programs, or new plant dedications.

(Theatre Network Television, Inc., 515 Madison Ave., New York 22.)

## FINANCIAL WORLD

EST.  
1902

The operation on Financial World has proved successful—its face has been lifted and its insides rejuvenated—this 52-year-old national weekly magazine has a new cover design and a modernized format. A free copy is yours if you send in this "ad" with your request.



### SURVEY OF READERSHIP

The comprehensive survey of the circulation of Financial World has been completed by the independent research organization: Fact-Finders Associates, Inc. The record and breakdowns are presented in a booklet for easy reading. Provided are a variety of tabulations showing the character and quality of Financial World's unique readership.

Send for your copy.

write FINANCIAL WORLD  
86 Trinity Place - New York 6

# CAN YOU TELL THE CHIEF DIFFERENCE AMONG THESE?



Each of the four subjects pictured has to do with the flow of traffic—in four different, competitive forms of transportation.

Actually, the chief difference among these—aside from their physical form—is that only *one* is paid for and maintained completely by the carrier that uses it.

The others are built and maintained largely out of public funds—out of taxes collected at federal, state and local levels—as well as from disproportionate charges

levied on the individual motorist.

In other words, only the railroad yard—like all railroad installations—*doesn't* cost the taxpayer money; isn't “donated” out of public funds for the benefit of companies being operated for private profit.

The taxpayer obviously would get a better break if *all* forms of transportation paid adequate user-charges for their use of publicly provided facilities—and the public would be better served if all forms

of transportation provided only those services which their customers (not the taxpayers) paid for.

This would not only ease the burden on the taxpayer but, by putting all carriers on an equal competitive basis, could be expected to result in the kind of service improvements which free and equal competition has traditionally brought about... Eastern Railroad Presidents Conference, 143 Liberty Street, New York 6, New York.



## PROFESSIONAL DIRECTORY

### BURNS W. LEE ASSOCIATES (PUBLIC RELATIONS)

*Announces the opening of a*

**San Francisco Office**  
*under the supervision of*

**MR. PATRICK O'ROURKE, partner**

729 Pacific Building  
821 Market Street  
DOuglas 2-8538

*The firm services industrial and commercial accounts on a national basis*

Headquarters: 607 So. Hobart Blvd., Los Angeles 5, Calif., DUnkirk 8-4131

### GARTLEY & ASSOCIATES, Inc.

*Financial Public Relations*

Counsel and liaison activities between corporate management and investors and financial community opinion leaders (security analysts, investment research staffs, statistical services and the financial press).

68 William Street, New York 5  
WHitehall 3-6770

**BERTRAND W. HALL & CO.**  
41 EAST 42ND ST. NEW YORK 17, N.Y.

Specialists in . . .  
Financial Public Relations  
• Stockholder Relations  
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Public Relations  
Business & Industrial Representation  
Suite 211 Natl. Press Bldg.  
Washington, D.C.

### KETCHUM, INC.

Public Relations Counsellors  
To Corporations and Associations  
Since 1919

Pittsburgh - New York

### Samuel A. Montague

at your service . . .

- for
- Publicity
- Photography
- Public Relations
- in MEXICO

PUBLIC RELATIONS REPRESENTATIONS  
INTERNATIONAL, S. A. REFORMA 1,  
MEXICO, D. F. PHONE 18-65-15

Armistice Day has been removed from the holiday schedule by the Times-Mirror Co. of Los Angeles. Instead, each employee will be given a day off on his birthday. The Times-Mirror says that Armistice Day is no longer an appropriate holiday.

## Coming events in PR

May 4, 1954—Ohio Chapter's Annual Workshop, Toledo, Ohio.

May 10-12, 1954—Advertising Trades Institute, Inc. Sales Aids Show, Biltmore Hotel, New York City.

May 13-14, 1954—33rd Annual Convention of the Public Utilities Advertising Association, Hotel Statler, Boston.

June 8-25, 1954—33rd Annual National Exhibition of Advertising and Editorial Art and Design, Associated American Artists Galleries, 711 Fifth Avenue, New York City.

June 21-24, 1954—Convention of the American College Public Relations Association, Hotel Roosevelt, New York City.

August 30 - September 3, 1954—63rd Annual Convention and Trade Show, sponsored by the Photographers' Association of America, Conrad Hilton Hotel, Chicago, Ill.

October 1, 1954—1954 Minnesota Public Relations Forum, University of Minnesota, Minn.

October 14, 1954—St. Louis Chapter Fourth Regional PR Conference, St. Louis, Mo.

October 15-16, 1954—PRSA Fall Board of Directors Meeting, St. Louis, Mo.

November 29-30-December 1, 1954—7th Annual National PR Conference, Roosevelt Hotel, New York City.

1955—8th Annual National PR Conference, Los Angeles, Cal.



TWO PUBLIC RELATIONS INTERNSHIPS have been given to two honor students of Boston University's School of Public Relations and Communications by the Allegheny Corporation. The graduate students, Robert W. Baron of Barrington, Illinois, and John G. Gelinas of East Stroudsburg, Pennsylvania, were selected by the school's academic committee headed by Professor Howard Stephenson. They will work directly with Thomas J. Deegan, Jr. (right), vice president of the corporation, for the next three months in the proxy contest between Robert R. Young, chairman of the Allegheny Corporation and the New York Central Railroad. The interns will receive no pay but will be given food and housing.

## parens\*

This is a column about things that interest PR people. Some important, some whimsical, some of passing interest, some of significance. The writer's blasts and kudos are not necessarily those of the JOURNAL Publications Board.

### Parens

ALUMINUM PR NOTES FROM ALL OVER: Alcoa's PR program has Art Hall and Ed Murrow selling aluminum office buildings now; while New York PR consultant Bob Eckhouse has a client that produces aluminum nails to stick into potatoes to reduce their baking time by 30%. A broad spectrum, that bauxite band.

### Parens

ADD TITLES: Among the 48,716 entries in the 1954-55 WHO'S WHO IN AMERICA is a new listing for Andy Frain, who directs a corps of ushers at race tracks, sports parks, and political conventions. He's billed as a "crowd engineer."

### Parens

"Public Relations Strategy" is the name of one of the best PR talks we've read. It was given in January by Walter Megronigle before the St. Louis Executive Forum. Bedrock stuff, told with simple clarity and directness. Easy to grasp, good examples. (PR Division, Ketchum, Inc., 1400 Chamber of Commerce Building, Pittsburgh 19.)

### Parens

For exceptionally fine treatment in the use of illustrations, see the February issue of "Stet," the house magazine for house magazine editors, edited by K. C. Pratt, 50 East 42 St., N. Y. 17. The story is "U. S. business at bat" by Erwin D. Canham.

### Parens

*Business Screen Magazine* (489 Fifth Ave. N. Y.) has reprinted Charlotte B. Polishuk's piece "Audio-Visual Tools for Conferences." It's a basic review of useful tools and good techniques to improve business meetings. Well worth having handy.

### Underground Press Club

A five-story cave in Meramec Caverns, Stanton, Missouri, has been set aside as quarters for the exclusive use of newspaper, radio, and TV personnel in honor of its 100,000,000th anniversary.

There are facilities for hunting, fishing, and boating at the mammoth underground emporium. A special building has been constructed for lodging and meals. Typewriters, stationery, stamps, telephone and telegraph conveniences are readily accessible.

Special guides have been retained to take members on tours not open to the public, according to Lester B. Dill, cave operator, who says it's the ideal place for Fourth Estateers who want to get away from constantly ringing phones and people storming in for favors. It will be open seven days a week throughout the year.

\* Short for "parentheses," used by typists and proofreaders.

May, 1954

## Hooray for Associations!

There's an authentic hero in the association profession. He is Frank Wise, General Manager of the National Renderers Association. Frank was taking a businessman's holiday by visiting the House Gallery when the Puerto Ricans went berserk. He grabbed one of the men—Luger pistol and all—wrestled him into the corridor and turned him over to the guards. Frank turned around, started to catch his breath, looked up and saw another and bigger Puerto Rican rushing out reloading. He grabbed this one, too. Who says trade association executives don't perform above and beyond the call of duty?

The press is the mistress of intelligence, and intelligence is the mistress of the world."

BENJAMIN CONSTANT

## Don't Read on Company Time!

The Electronic Engineering Co. of California doesn't appreciate its employees reading on company time, even though the publications are trade papers, but it does realize the value of such reading. It will pay two-thirds of the subscription price of a selected list of such publications if employees will have them sent home.

GOOD WHISKY  
CREATES GOOD  
IMPRESSIONS

That's why  
so many people  
are now serving

OLD  
HICKORY

STRAIGHT BOURBON WHISKY

ANDREW (Old Hickory) JACKSON

OLD HICKORY BOURBON

THE EXTRA YEARS enhance the great Bourbon Taste

66 PROOF - OLD HICKORY DISTILLING CORPORATION, PHILADELPHIA, PENNSYLVANIA

Full  
6 years  
old

# THE HOPPER

## A Bouquet for the JOURNAL

From the Naval Commander, who looks like he is biting his lip and holding back a nice exclamation and at the same time reaching for that bottle of champagne Mamie is using, to the good looking white horse on the back cover, I think that the April issue of the PR JOURNAL was loaded with excellent material. Whether it was how the General Dynamics worked with the press, or the "grass roots" area approach newspaper, to Ted Koop's advice on radio-TV and Taylor's excellent suggestions on making your business meetings more effective, and pictures of J. D. Sykes of St. Louis, Sally and Mabel on their 10th anniversary, and on Page 21 and 21 pictures of three Presidents or past Presidents of PRSA, to the Chapter News, to an excellent PR Service Guide; well, clear up to the unhappy looking Frenchman with the 13 loaves of bread, it just is outstanding.

I can't get over raving about it, and naturally want the authority to reprint nearly half of it for the Public Relations Directors of the members of this Association.

This is the first time that I read the JOURNAL from cover to cover three times; each time getting something new, getting a different idea, and getting a different slant.

Congratulations!

RUSSELL W. TARVIN

*Director of Public Relations  
The Ohio Manufacturers' Association  
Columbus, Ohio*

## Another Bouquet

The JOURNAL is doing such a magnificent job that I hesitate to single out any one feature for special commendation, but I cannot resist the temptation to tell you that I thought the article by Professor Nevins in the April issue was one of the finest things that the JOURNAL has ever published.

GEORGE M. CROWSON

*Illinois Central Railroad  
Chicago, Illinois*

## Help Wanted

We have begun work on a working communications manual for our company. We are particularly interested in any surveys, manuals, or statements of policy, responsibility, or procedure which have been developed on the subject of day-to-day, person-to-person, oral communications.

Have any PRSA members or their organizations done anything on this particular subject at which we might take a look?

RAY GREMP

*Standard Oil Company (Indiana)  
Public Relations Department  
910 South Michigan Avenue  
Chicago 80, Illinois*

(Can readers help?—Editor)

## Is PR A Strike Breaker?

After reading Mr. Dodge's excellent article in the December issue of the JOURNAL, and having listened to a most stimulating discussion of the same subject at a meeting of our Cincinnati Chapter, I find myself curiously disturbed—and being female, I must tell somebody about it.

My concern has something to do with the fact that all of our discussions of public relations in management-labor disputes follow the same pattern. We start out with a pious, and I'm sure honest, statement that we believe in trade unionism, that a man's right to strike is basic to democratic thinking, that collective bargaining is inherent in the American system, etc.

Then we proceed to a consideration of the public relations techniques to be used in attaining our objective, which is what? Implicitly it's bringing the strike to an end—by telling the community and the strikers of the rightness of management's position and the wrongness of labor's, and by pointing out to the strikers the advantages of returning to work.

Here's where I get uncomfortable. If we honestly believe in collective bargaining, have we a moral right to go beyond making sure that management's point of view is presented honestly and clearly to all groups, leaving the

issues to be settled at the bargaining table?

Actually, when we turn the big guns of newspaper and radio persuasion on the harassed striker and his family, aren't we using our professional skills in a genteel form of strike-breaking?

I'm sure that all of the examples quoted in Mr. Dodge's article and the one considered at our meeting involved clear-cut issues in which there could not have been any conflicting point of view. But unless all representatives of management are without sin, and all labor leaders fools, both of which are obviously untrue, must there not be strikes in which the striker's position is justified?

What then, public relations? I would be very much interested in reading what those with better brains and more experience than mine have to say on this aspect of the subject.

We have worked hard to earn well-deserved acceptance by management. I wonder if we don't need to keep reminding ourselves that there is an important distinction between "being accepted by" and "being an instrument of."

Wasn't that what was wrong with that no-good parent of ours, the press agent?

MRS. FRANCES SCHMIDT

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